

Speaker 1: [inaudible 00:00:02]

Stephen Oliver: Maybe a little.

Speaker 1: You can do that.

Stephen Oliver: Look.

Speaker 1: Prevention versus cure is always the [crosstalk 00:00:15].

Stephen Oliver: Let's shift topics and look at it from the other side though. If you're good enough at marketing and you're good enough at sales and you're good enough at retention and you're good enough at renewals, then you always know that whatever happens with these few, you can fill up as many as you need. You also know if you have a portion that are somehow they've been infected, you can have them go away and you can replace them. For my own organization most of what I did over the years if I was in a school, it was I did startups and I did turnarounds. I mostly wasn't in the schools, but what I would do is if we did a grand opening, I would do the first 90 days or four, five months, because I would be the one that would do 100 in the first month, 200 in 90 days. That was my benchmark. I'm gonna do 100 students in the first month, 200 in 90 to 120 days, and in the fourth month I was gonna renew them all. I could do that four month window and go in and put 100 people in, in the third month renew them. By the fourth month be at 200, then hand them off to somebody. The staff could keep it going. But I didn't find many people that could replicate me and do that.

But the other thing that I did over the years when we weren't opening schools is I'd have six locations. This one's doing 80,000 a month, and this one's doing 12. So what I'd do is parachute into this one. Program director is fired. One time, my favorite story about this, program director that's in the school doing 12. I moved him into the one that was doing 70. It was Scott. Scott [Ramson 00:02:05]. Scott and Tommy were over here. They were lucky if they were doing 7,000 a month truth be told. I kept Tommy 'cause he seemed like he was capable of being a halfway decent instructor, although his IQ wasn't very high. I took Scott. I said, "Scott, here's the deal. I'm putting you into the number one school. I have a rusty butter knife. I'm gonna castrate you with it if you let it drop more than five percent. You're getting the opportunity of a lifetime. You've been complaining that the reason you're doing poor numbers is that location. Now you're either gonna be proven right or wrong, but if you go in there and you kill it, it's you, and after I castrate you, you're fired. I'm gonna make sure to butter your knife first."

Greg, did I have conversations like this?

Greg: It was quote-unquote crusty butter knife.

Stephen Oliver: Yeah. Keep in mind, the CEO of Uber just got booted out of his own company for not being worse than what I was guilty of every day of the week. He made the mistake of putting Adriana Huffington, among others, on his board of directors. Uber may well become the Apple fires Steve Jobs, everything goes to hell, they bring back the guy. That's what I would bet on, but we shall see. It is my favorite business magazine cover of all time. Did you see the Fortune magazine two months ago with the CEO of Uber before he got fired?

Speaker 1: Yes.

Stephen Oliver: Do you remember what the headline was? Picture of the CEO of Uber getting out of a black SUV, black Uber, and the headline is, "I don't think I'm an asshole." That's the cover of Fortune magazine. My favorite of all time. I told Jeff I was gonna get that one and stick my picture on it. That's the goal. I want to be on the cover of Fortune magazine with the headline of, "I don't think I'm an asshole." I love that.

Is this all making sense? If you're good enough at marketing, you know you can replace whatever it is. Where I was going with that with turnarounds, I went into one in school. It had been run into the ground so much that it was at about 90 students, but I fired 40 of them. Literally as I walked in and it was nicely, "My way or the highway," and, "It doesn't seem like you're happy with the way things are going now, so have a good life. I just canceled your agreement. By the way, here's a list of other schools in the area you might like. Have a good day." I literally, overnight, 40 people went out the door. I did it as nicely as humanly possible. But why would I do that? I can replace them like this.

Speaker 1: You did at 30 days.

Stephen Oliver: Oh, yeah. That was that Eaglewood location. This is another time. I did two turnarounds with that one. That one, it went from 90 to 50 to 450 in nine months. That was literally the turnaround. So, 90, 40 of them fired, 50, to 450 active. I popped in February, March, and by Christmas it was 450 active. Now, it wasn't easy. I was sick in bed for the holidays, because I had the flu and five things or another. I did 42 enrollments with a fever. Hopefully I didn't infect the whole [inaudible 00:05:53] area. That's what it was.

Again, sometimes it's if you're thinking in terms of abundance rather than lack of abundance. If you're thinking in terms of lack of abundance, losing that one pisses you off. And then you want to stress and strain to keep that one. On the other one, if you're in a mode of abundance and there's more coming and I can go get as many as I want, I might as well get people with better attitudes. If that's your perspective on they were unethical, great. Let's go get some more that are 100% ethical rather than get some people who have been unethical. You know you didn't know they were unethical when they signed up, but let's get some that are ethical. By the way, if you go sue them and do all that other stuff, do you want them back as a student?

Speaker 1: No.

Stephen Oliver: Well, see?

Speaker 1: It's more about just having a little teeth into the agreements. Some of it's about, "Yeah, you were so smug about what you just did, it's really hard to take."

Stephen Oliver: No, 90% of it is you're pissed off at them. It's a personal issue. Ten percent is you're absolutely right.

Speaker 1: It's the warrior in you. That's what it is.

Stephen Oliver: It's testosterone poisoning.

Speaker 4: Can we steal your ear here for a minute?

Stephen Oliver: Yeah, no, absolutely.

Speaker 4: I know we need to get to enrollments for everybody today. We were gonna take a full day of it. Is there anything in the marketing that we covered yesterday that's a gray area for anybody that they need clarification on? I apologize for the two that weren't here yesterday.

Stephen Oliver: We recorded everything.

Speaker 4: Everything is recorded, so you'll have access [crosstalk 00:07:42].

Stephen Oliver: And it's recorded on the expensive camera by the guy who knows how to use it.

Speaker 4: Have a professional videographer here.

Stephen Oliver: Let's shift gears and go into it. Don't get into a testosterone poisoning pissing match with somebody just 'cause they annoy you.

Speaker 4: I don't want to jump off of that. We were gonna try to take this first hour to make sure that we cleared any gray area from yesterday. If there is, bring it up. If it's gray to you, it might be gray to other people, so don't be afraid to ask. We covered a lot of ground yesterday and a lot of different areas.

Stephen Oliver: Moving along. Sales A to Z. Of the Elite MMA group, who is the best person at teaching the introductory class among your group?

Speaker 5: [inaudible 00:08:41] group?

Stephen Oliver: Yeah, of everybody who's here today.

Speaker 5: Tyler.

Stephen Oliver: Come on, Tyler. Tyler, pick two students. Are usually just doing one-on-one or small group?

Tyler: I do one-on-one.

Speaker 5: I've seen him do a one-on-one when I was there. He's excellent.

Stephen Oliver: Very good. Travis, do you want to be a student?

Travis: Sure.

Speaker 5: Travis has a bad knee.

Stephen Oliver: Oh, I'm sorry.

Speaker 5: I'd rather somebody else.

Stephen Oliver: Okay, pick somebody else as a student.

Tyler: Zimmerman.

Zimmerman: You're making it easy on yourself.

Stephen Oliver: Let's do this.

Travis: Sometimes you have uncoordinated [crosstalk 00:09:20].

Stephen Oliver: Let's move this table over here.

Tyler: [inaudible 00:09:23]

Stephen Oliver: I planned on just going at an angle here so we have room in the middle. What I want you to do is ... I'll set up the ... because we don't need this one, right? This is the front door. Walk us through front door through the end of the first [level 00:09:54].

Tyler: About five minutes worth?

Travis: It's a long front door from there to ... They've got a ways.

Stephen Oliver: You can accelerate a little bit, but don't leave out anything important. You know what I mean?

Tyler: Okay. So he just walks in?

Stephen Oliver: Yeah, you just walk through the door.

Tyler: Awesome. So everything's been schedule previously, FYI, so I already know he's coming in at the time. I know his name. Cool. Hey, Zimmerman, it's nice to meet you. I'm coach Tyler.

Stephen Oliver: Everybody caught that, right? You know who's walking in the door before they get to the door. Yes, sir?

Speaker 9: Is this a child student or is this a grown gentleman?

Stephen Oliver: What would you prefer?

Speaker 9: I think it would be-

Stephen Oliver: I'm gonna choose. He's an adult, 'cause we'll do a kid intro in a minute. How's that? Okay? He's walking through the door. You always know who they are before they walk through the door. I don't care if you just did a movie promotion and you have 20 people coming in the door, if you have 10 intros scheduled, what do you know? I have a seven-year-old girl. I have a nine-year-old girl with an 11-year-old brother. You at least know that much. Preferably at the promotion you're making details of they're white, they're black, if they're blonde haired, they're brown hair, they're red hair, they're whatever notes you make. I'd even prefer to have a picture of them, although it gets a little creepy to take a picture of them and ask for their social security number at the theater, but whatever. Everybody know what I'm saying? You should have as much detail as possible. You should be able to greet them at the front door.

Zimmerman: To continue on in that am I a first-timer? Do I have background experience?

Stephen Oliver: No experience, first-timer, adult.

Zimmerman: Okay.

Tyler: Hey, Zimmerman. Nice to meet you, man. Good to have you in. You had scheduled an appointment with [Jordan 00:11:47], correct?

Zimmerman: Yeah.

Tyler: Okay, cool. And you guys spoke over the phone. Debrief me. How'd you-all's conversation go? How'd you like it?

Zimmerman: It was pretty good. He was really nice. He gave me some ins and outs of the school and what to expect. I told him I'd never tried martial arts before. This is my first time. I've always wanted to. He said you'd be able to take care of me, at least show me the ropes.

Tyler: Not a problem. I'll take care of you. I want to sit down with you first, go back over everything you just talked about. That way we're all on the same page

about your training. You let me know what are you really looking to accomplish from starting martial arts again?

Zimmerman: If I'm honest with you, I can tell you all day long that I want to get in shape and try something different. Really I just want to go into a new place and know I can kick some ass if I had to.

Tyler: Okay, so learn some self defense.

Zimmerman: Yeah.

Tyler: Has there ever been a situation where you felt like you needed it and didn't have it?

Zimmerman: A couple of instances at bars, grocery store run-ins. Nothing real serious.

Tyler: Get that adrenaline [crosstalk 00:12:52]. What if it would've continued?

Zimmerman: If it would've continued? I don't know what would have happened. I've never handled a situation like that. My normal fall back is to just walk away.

Tyler: So you want to have confidence that you're gonna be able to handle a situation like that while being able to defend yourself at the same time.

Zimmerman: Yeah.

Tyler: Okay, cool. Anything else? That's a good start, but what's going to keep you training? What's the after the first three months? We got you down the [inaudible 00:13:16].

Zimmerman: Feel like I'm getting something out of it. Enjoying. I play soccer with men's league once a week. I like being in an environment with other people doing something that I enjoy.

Tyler: So you want to be around a group of people that have the same mindset, working towards some similar goals, and learn some karate around some new friends.

Zimmerman: Yeah.

Tyler: Okay, cool. What we're gonna do is let me know. I'll show you the schedule, bread down everything for you, and then we'll go onto the mat. I'll start working with you on the mat. Does that work for you?

Zimmerman: Yeah, okay.

Tyler: Awesome, cool. So then we just go onto the mat. Do I need to do a physical intro?

Stephen Oliver: Do the whole intro.

Tyler: All right, awesome. Come on, Zimmerman. Let's take off our shoes.

Stephen Oliver: Do you guys want to see the whole thing?

Speaker 1: Yes, sir.

Zimmerman: Do I need to take my socks off or can I keep my socks on?

Tyler: [crosstalk 00:13:59] It's all good. So you've never done any martial arts before.

Zimmerman: In the shower.

Tyler: That's exciting. All right, cool. Are you right-handed or left-handed?

Zimmerman: Right-handed.

Tyler: You're gonna start with your right foot back just outside shoulder width, elbows in, hands up. [crosstalk 00:14:16]

Zimmerman: Not up here?

Tyler: Nope. In, palms out.

Zimmerman: Palms out.

Tyler: Awesome. Make sure you're on the ball of your foot in the back foot. Want to make sure you can bounce and move. Roll your shoulders back and forth. Make sure you're comfortable. Feel good?

Zimmerman: Yeah, sure.

Tyler: Awesome. The first thing I want to start off is teaching you to jab cross. You need to learn how to pivot your hips when you throw the punches.

Zimmerman: What's the difference between a jab and a cross?

Tyler: The jab is your front hand. The cross is the back hand.

Zimmerman: Oh, okay.

Tyler: If you're right-handed, your jab is your left, your cross is your right. Your power hand is your right hand.

Stephen Oliver: I have a question for you. I don't mean to interrupt your close.

Tyler: Yes, sir.

Stephen Oliver: Are you assuming that you he wants to do Muay Thai, or are you introducing him to ... Do you have a sense of what he wants to do on the way in the door?

Tyler: He wants to do self defense, so that's more self defense. It's proven that doing a mixture of both striking and grappling. That way you can handle yourself in both situations.

Stephen Oliver: What some people do is they try to figure out what they want on their way in the door. They just point them that way. I wanted to clarify that for everybody.

Tyler: The conversation we previously had with Jordan was around getting him some self defense, so self defense you just go ahead and we're gonna enroll you in both programs. That way you can start with a well-rounded foundation.

Stephen Oliver: Perfect. I like it.

Tyler: Cool. Arms up, elbows in. When you do that first punch, you're gonna small step and you're gonna turn your shoulder into the punch.

Zimmerman: That's a lot going on right there, man.

Tyler: That's okay. That's why we're here. Gonna teach you the basics.

Zimmerman: Okay.

Tyler: Ready, step, turn, and extend.

Zimmerman: Turn and extend? I'm leading with my hip there?

Tyler: Yes, sir. You're gonna bring it up, and that hand goes right back to your cheek. Keeping your guard up. So, ready, let's do it again. One, back.

Zimmerman: It feels funny to take a step every time.

Tyler: It does, but that's just giving you the muscle memory down. Because when you go into a fight, you're gonna step in with a jab and then finish with the cross. One, two. So ready. [crosstalk 00:16:00]

Zimmerman: It's like line dancing.

Tyler: It's all good. It's why we're here. Hands up, gonna step, one, and then pivot with the two. Good. Good heel. Heel's up. All the way back. Make sure your

shoulder's reach into your chin. That way if I throw an overhand, it's not reaching your chin.

Zimmerman: Oh, it's protecting my face, right?

Tyler: Mm-hmm (affirmative). So reset. Ready? Hands up, jab. Good. Cross. Protect. Good. Reset. Ready? Jab. Across. Protect. Good. Ready? Moving. Ready? We're gonna learn how to cover with the lead hand, too. Because what if I throw a haymaker at you? With the lead hand over here, you're gonna do a one, two. Reset. I throw my haymaker. You're gonna bring this arm up, shield your head, chin down, elbow forward. I'll walk you through that same step.

Zimmerman: Don't hit me in the face.

Tyler: I promise. I won't. Ready? Jab.

Zimmerman: Jab.

Tyler: Cross.

Zimmerman: Cross.

Tyler: Cover.

Zimmerman: Cover.

Tyler: Cover. Exactly. Perfect.

Zimmerman: Tuck my chin, though, right?

Tyler: Keep your head up so you can see me, 'cause as soon as that head goes down ...

Zimmerman: That's so I can see?

Tyler: Yeah. And as soon as you move your hand, if your head's down, I'm waiting for you. So make sure you're going to be able to, you can still see in that outside line.

Zimmerman: That makes sense.

Tyler: So ready?

Zimmerman: Okay.

Tyler: Jab. One, cross, cover, cover. Good, now from here I want you to take this arm and wrap over mine.

Zimmerman: What do you mean?

Tyler: Over top. Pinch your elbow down to your body. It's gonna lock my arm in and I can't pull my arm out. Right?

Zimmerman: Yeah.

Tyler: Good. From here you're gonna take this arm and you're gonna close on me. Take this, wrap it all the way around my neck. Good. Now, hook your foot behind my leg.

Zimmerman: Which foot is that?

Tyler: This one.

Zimmerman: My right foot?

Tyler: Yes, sir, this one I'm touching.

Zimmerman: Am I stepping in?

Tyler: Yes, sir. Now you're gonna hook, head down, and throw me to the ground. Twist. From here, you're gonna drop to your knees, arm under my head.

Zimmerman: This arm?

Tyler: This arm.

Zimmerman: This arm goes underneath?

Tyler: Yeah. And now drive your shoulder into my face and squish me. Make sure you're tight, so I can't get up. Good. So you've already diffused the situation, got me to the ground, and now I can't punch you effectively. I can hit you. I can baby hit you, but it's not really [inaudible 00:18:06].

Zimmerman: Aren't you gonna throw me up or something from here? What if you're a really big dude?

Tyler: [crosstalk 00:18:12]

Zimmerman: Oh, really?

Tyler: Drive that shoulder right to my throat. I'm gonna push up on your face. Now, push my arm across. Tuck your head. Squeeze really tight. Now walk across my body, so step over.

Zimmerman: Stepping over you?

Tyler: Yeah. Step over.

Zimmerman: Sorry, man, I got old hips.

Tyler: It's all good. We got 60-year-olds that train here, too. [inaudible 00:18:34]. It takes time. Ready?

Zimmerman: Yeah.

Tyler: Head down. Walk your hips away and squeeze. You got me.

Zimmerman: Oh, okay.

Tyler: You can't throw me off.

Zimmerman: Did that really hurt?

Tyler: No, I was actually going to sleep if you didn't stop.

Zimmerman: Oh.

Tyler: Does that work?

Zimmerman: Yeah. Are you gonna have to do that to me now?

Tyler: Nope.

Zimmerman: I don't want to go to sleep.

Tyler: Notice how I tap?

Zimmerman: Yeah.

Tyler: That's how we keep each other safe. That's how we can go from arm bars, try to choke each other, and keep it safe.

Zimmerman: Normally when I get choked I scream.

Tyler: We'll teach you how to be calm. Jiu Jitsu is really good to teach you under pressure. If you get confronted with something, it's really good. It's a pressure cooker for life. It's gonna help you out in a lot of different areas not just physically, also mentally and character wise.

Zimmerman: When do I get to kick ass?

Tyler: It takes time to kick ass. It does take time to get good at Jiu Jitsu. That's why we're gonna start you up on a basic membership making sure this is something that you are really going to enjoy. How did you like the lesson?

Zimmerman: That was good. I wasn't sure what I wanted. I saw your guy's website and there was guys rolling around on the ground and then people punching stuff. I see how that all makes sense now.

Tyler: You got a mixture of both, so which one do you feel better with? Which one do you feel more comfortable with?

Zimmerman: I like both.

Tyler: You like both.

Zimmerman: I like both.

Tyler: Awesome. So let's sit down. We'll go over a schedule, make sure it's gonna work for you again.

Zimmerman: My work schedule sucks.

Tyler: That's fine. We give private lessons, too, and we'll make sure it works for you. That's why I want to sit down and create a training schedule that's gonna fit yours.

Zimmerman: Do you guys have mornings and evenings? We can talk about that.

Tyler: We have four locations. We have one in Westheimer, Greenway, Kingwood, and Baytown. If you're in the Houston area at all, you can go to all of them.

Zimmerman: [inaudible 00:20:14] okay.

Tyler: Cool with you?

Zimmerman: That works, man.

Tyler: Awesome. Come on. Let's have a seat. I don't have a schedule.

Stephen Oliver: You might shift so they can see. Yeah, just make it up.

Tyler: So, Mr. Robert, you liked both classes. You liked doing Jiu Jitsu and the kick boxing. That's really what's gonna give you that full realm of MMA and that's self defense. Now, that's very physical. What are some goals you're wanting to accomplish? Tangible goals. It could be I want to be good, then it will how you judge that. You can compete later on.

Zimmerman: This is gonna sound pretty pansy but I'd really like to know how to stay calm under fearful situations. I have a tendency to get really anxious under fearful situations, whether it's work, my old lady. It doesn't matter.

Tyler: Fearful situations or stressful conditions?

Zimmerman: She scares me, dude.

Tyler: We're gonna get scared. Let's be real there. They scare me, too. It's okay. You got it. You want to be able to control your emotions, control your anxiety, make sure you can handle yourself, whether it's bosses being a jerk yelling at you, whether it's-

Zimmerman: I've read that martial arts, it helps you focus and deal with that level of anxiety in all aspects of your life. They're all related to one another.

Tyler: It does.

Zimmerman: I read about the first three pages of the book and that's about as far as I ever get in books, but it sounded good.

Tyler: Dealing with stress is what I'm hearing. Being able to control your anxiety, control the emotions on top of building a skillset that you're gonna be able to use for the rest of your life.

Zimmerman: Yeah.

Tyler: Okay, cool. Excellent.

Zimmerman: [inaudible 00:22:02]

Tyler: You're always gonna make a [inaudible 00:22:03]. Let's go over the schedule. You said your schedule is crazy. Let me know. What's your schedule like? Do you do shift work?

Zimmerman: Nine to five that turns into seven to eight most days of the week Monday through Friday.

Tyler: What do you do?

Zimmerman: [inaudible 00:22:17] probably every other weekend. I work in oil and gas.

Tyler: Okay, so busy during the day. Are you corporate or are you more-

Zimmerman: Mid-level management. I manage a small team of engineers. We deal with a lot of pipe design and things like that.

Tyler: Got it. Look, let's look at your schedule. You go in at nine and you're not getting off until, let's say worst case scenario, eight.

Zimmerman: Yeah.

Tyler: Got it. Our classes here start at seven for the beginner level Jiu Jitsu, five for kick boxing. That's clearly not going to work for you.

Zimmerman: No.

Tyler: What we can do is on Tuesdays and Thursdays and Saturdays, we have openings for private lessons. With the private lesson you'd be working with an instructor one-on-one. It would probably be me since I worked with you the first time. We've already gotten to know each other.

Zimmerman: Cool.

Tyler: I'll teach you all the ropes.

Zimmerman: Who's better, you or Jordan?

Tyler: Jordan's the black belt representing Jiu Jitsu, but I'm directly under him. If anything I can't teach you or I don't know and you want to know, I'm gonna get it directly from him.

Stephen Oliver: In other words, Jordan's better than Hanson.

Tyler: Yes. [crosstalk 00:23:16] It's a little bit different. Now with that, let's go into timeframe. Eight o'clock is when you're getting into town, getting settled down. Would you be ready to come to class at 8:00?

Zimmerman: Yeah. It's me and my dog. My old lady doesn't live with me. I can drive around with a PT bag or my workout clothes in my car. It wouldn't be a big deal.

Tyler: Cool.

Zimmerman: Or uniform or whatever you guys call it.

Tyler: Yeah, we'll get you all the uniform and everything. We'll go into that, too. I just want to make sure we get a schedule that works for you first.

Zimmerman: Cool.

Tyler: So 8:00 would work for you on Tuesday and Thursday and Saturday, correct?

Zimmerman: Correct.

Tyler: Awesome. Do you feel like that would be enough for you to successful get out of this weekly? Two to three times a week, as a coach, is my personal recommendation. You still have a life. You still want to go out and do things, hang out with your buddies. You don't want to train every day. I do, but I'm the extreme. For you, let's create a consistent routine that we can still accomplish what you're trying to accomplish, but you still have time to deal with other things.

Zimmerman: Okay. You're the coach. I'm a very hands-on learner. I don't learn well by reading. I don't learn well by watching. I have to be hands-on. I can't afford to be here every day, but I'd like to come as much as I need to to get done what I want to get done.

Tyler: Three times a week in one year, I can make you successful enough to protect yourself. It's in your body, your size and a little bit bigger.

Zimmerman: Okay, that's pretty cool.

Tyler: Does that work?

Zimmerman: Yeah, I'm a pretty small dude, man, so we need to amp up the weight [crosstalk 00:24:50].

Tyler: It's gonna take time.

Zimmerman: Most of the people I tend to piss off outweigh me by about 50 pounds.

Tyler: You should probably stop doing that [inaudible 00:24:57]. Don't piss people off.

Zimmerman: That's sage advice.

Tyler: It does take time to get good at anything. What's some hobbies you have? You said you play soccer.

Zimmerman: I hunt. I fish the bayous.

Tyler: You said you play soccer earlier, correct?

Zimmerman: Yeah, I play soccer on Sundays.

Tyler: Are you good?

Zimmerman: I was.

Tyler: How long did you do it for?

Zimmerman: Twenty years off and on.

Tyler: So it took you a long time to get good.

Zimmerman: Yeah.

Tyler: It's the same thing with anything else we do in life. Gonna start you off on a routine. Now, that works, the schedule works for you. Now let's go to the programs. We're gonna start you off on a private program. That's gonna start off tuition and prices. It's 250 to get all your equipment and everything ready. That's just your initial startup. We're gonna give you everything you need for your programs, for your classes.

Zimmerman: That gets me into the school with all my stuff, right?

Tyler: Yeah, that's all you'll need. Your tuition is gonna be 227 a month. We won't start that until September 1st. It's a one year membership.

Zimmerman: What about the rest of this month? I'd like to start next week.

Tyler: We won't start your billing until next month.

Zimmerman: Cool.

Tyler: You can start today and we'll start your classes immediately, but we won't start your billing until next month.

Zimmerman: Okay, cool.

Tyler: Does that work for you?

Zimmerman: Yeah.

Tyler: Awesome.

Zimmerman: What if something happens and I get a project in the Baltic Sea or in the Gulf of Mexico and I'm out on a rig for six weeks or something like that?

Tyler: Six weeks? Okay, cool.

Zimmerman: That doesn't happen often, but it can happen.

Tyler: Okay, that's not a problem. Let us know beforehand and we don't stop your billing, but when you come back, we'll reimburse you with it. We'll give you more private lessons, give you extra equipment, or we can just schedule more time for you.

Zimmerman: You guys give back to me on everything then.

Tyler: Yeah, we don't let you lose any of your money, because we want you to benefit from your training. We don't want you to pay for something that you can't use. We know you see value when you come to class. It's the same thing. We're gonna make sure it gets back to you in some sort, whether it be lessons and extended tuition, whatever you want to do with it. It's still your money. We just credit it to you. Does that work?

Zimmerman: That works.

Tyler: Awesome. How do you want to handle the 250?

Zimmerman: That's good. I make a pretty decent living and what I do spend money on I like it to be worth it.

Tyler: Awesome. Do you want to use check, card, cash?

Zimmerman: Card, please.

Tyler: Cool, no problem. We'll take care of that. And then what we'll do, let's go in the office and let's take care of your membership.

Zimmerman: Okay.

Tyler: Awesome. And then it's just filling out paperwork and getting his uniform.

Stephen Oliver: Notice what they did automatically, 'cause you may not pick this up. What does almost everybody do if you give them the assignment I give these guys? They try to stand up here and explain what you do. When you're doing staff training, what do they always say?

Speaker 1: [crosstalk 00:27:54]

Stephen Oliver: I do that fine when it's a real person, but I get nervous in role playing. I really can't do that. Are you ever better in the fight than you were in the class?

Tyler: No.

Stephen Oliver: The staff member who says, "I'm better when there's \$6,000 on the line and a human being who may or may not enroll," is full of shit. Practice is practice. You've got to get that all these sales processes are no different than you're teaching somebody how to spar, teaching them how to do the technique. They both naturally went into it. Weren't they great at that? Be clear, I'm sure they're 90% of exactly what they were when they're live in the facility. The only difference live in the facility is you feed off the energy of the facility. If you're good, you improve. If you're bad, you implode. Does that make sense?

Speaker 1: It's just like sparring also. You can only be as good as your partner. He was [crosstalk 00:29:04].

Stephen Oliver: Oh, great personality there.

Speaker 1: He was bringing up objections and things that happen. You see how it didn't throw him off at all. That's how you have to role play. If you're not training like this on a weekly basis, I don't care how small of school you are, if you have staff, part-timers, full-timers, and you're not training them like this, they're not gonna get better very quickly.

Stephen Oliver: Yeah, you have a fight, you're doing rounds. It's the same thing. Constantly. What were you charging him, by the way?

Tyler: This is just some numbers I wrote down, 250 to start out, 247 a month, one year membership.

Stephen Oliver: Okay. On the 250, are you doing the 250 plus the 247, or just the 250?

Tyler: Just the 250 to get you started.

Stephen Oliver: Okay, so if I can get you to start doing the 250 plus 247, all that will happen is you'll double the amount of money they pay to be on there, be a little bit more solid. The school will make a little bit more money and nothing else will change.

Tyler: Got it.

Stephen Oliver: And then we'll go to make it 300 plus 247. Now, by the way, who in here is charging less than 200 a month?

Speaker 10: One ninety-seven.

Stephen Oliver: How about less than 175 a month for doing [inaudible 00:30:17]? We got to work on that.

Speaker 10: Last one. Because if it's less than this-

Stephen Oliver: Oh, don't even say it.

Speaker 10: Who's less than 150? I guess you know what you're worth. I deal with 250, Robert.

Stephen Oliver: Good, any questions for these guys?

Speaker 11: Was that real time on the physical part?

Tyler: Yeah. Somewhat. I adjusted because he has done some training before, so it'd be easier to show you guys. But for someone basic, it is super central, jab, cross, learning how to cover, going into the groundwork and explain why you'd do that. Where does this benefit from?

Speaker 11: I feel like we get a little long, so I was just curious.

Tyler: It's usually about 45 minutes to an hour.

Speaker 1: Remember, you're not trying to teach them in the first lesson. You're just trying to introduce them to the material.

Stephen Oliver: He did about 20 minutes, 25. He said normally it's about 45 minutes total, 30 minutes. So you did truncate it.

Tyler: Mm-hmm (affirmative).

Speaker 9: Have any presale stuff from the watch or-

Tyler: It's from the phone call. It starts there. You get into the role there. And then when they come into the class, you reassure that you're in their world or their assessment. And then from there you continue to do that. And then you reclose them. At the registration, "Oh, cool, awesome. In this year we're gonna go over getting you to be a bad ass, making sure you stay in shape, making sure you have the confidence to handle your life where you can make your own decisions." You're going back over all those things he wanted to accomplish, so it makes him happy. Cool, wow, get pumped up. "I can't wait for my first class."

Speaker 1: Before he started talking about what he was gonna teach him and what his program was gonna develop, he found out what he wanted. Then he taught him those things and how those things he's gonna improve with the program. So then he's got a win-win situation. He went over the schedule before he went over the price to make sure ... See, if you go over the price and then you go over the schedule, you'll get [crosstalk 00:32:30]. That's their excuse sometimes to get out of the payment. You go over the schedule first, make sure it solves all the problem, and then you bring up the price at the end. It becomes less of an objection.

Stephen Oliver: We'll go back over that for everybody to anchor some of those things in. Everybody agree that was pretty good, right?

Speaker 1: Yes, sir.

Stephen Oliver: You truncated a little bit. If I was going to give you one critique, every time you show him something physical, translate it to the mental and emotional [inaudible 00:32:59]. You see what I'm saying? Take it out of purely physical and into the mental, emotional piece of it. And you did some of that, but he's in a

high stress environment, oil and gas. He's under a lot of pressure right now. I'm making some of this shit up, but he said that in the role play. So you translate it to I know in that management situation the hours are long. You get a lot of stress, probably some conflict, some other people who are giving you not physical conflict, but pressure and emotional conflict from up above and below. Would that be correct?

Zimmerman: That's correct.

Stephen Oliver: See, the way that this is translating is learning the principles of this and learning to train is going to give you the ability to be more emotionally under control at work. It's gonna give you the ability, the Jiu Jitsu principles, of being able to [redirectly 00:33:51] control, but do it in a nice way where it's a non-conflict oriented situation. Then again, I'm making this up. You see what I'm saying is you adapt to what they're saying career, adapt to what they're saying and give them the emotional and the ... What was the other word I used? You see what I'm saying. Always translate it from physical to developmental as much as humanly possible, but then to the greatest extent possible, back into their world.

Zimmerman: In real time as it's happening.

Stephen Oliver: Exactly.

Tyler: When you took me down we were on bottom, when I was on the bottom, I should have been explaining, "Hey, look, you're gonna be in this position, too. From that position you're gonna panic and you're gonna get flustered, and you're gonna try to get out of there by just trying to shove somebody off of you, you're gonna get tired. It's gonna get even worse. So you need to be calm. [crosstalk 00:34:36]"

Zimmerman: Or you could take the human moment in that and say, "Right now I'm the guy who's in the oil and gas industry putting pressure on you and you're wanting to flail all over the place."

Stephen Oliver: And do you ever feel that way at work?

Zimmerman: Right, exactly.

Stephen Oliver: And so when you feel that way at work sometimes what we do is we shut down. And then that's the you lost already. This shows you the ability to redirect that energy to be productive in the situation and to move the conversation and the argument that's a conversation and an argument or to adapt to the people up the chain of command or below the chain of command to work with that.

Zimmerman: Correct.

Stephen Oliver: Right?

Zimmerman: Yeah.

Stephen Oliver: You see? So the more you translate it, what are you doing? You're building value far above. He says and it's fun role playing, he says when I'm in a bar I want to be able to kick ass. Well, that gets satiated pretty quickly. But the pressure at work is constant, never-ending. We know that's the better outcome for him, but if we start to drip it on him, he goes, "Oh, wow. Well, now I walk in a bar I don't feel uncomfortable at all, but I don't feel like I'm done with training, because all these other benefits that I'm getting every day."

Speaker 13: Can you do the schedule before the drill? Do you recommend doing that?

Stephen Oliver: What's that?

Speaker 13: Before he did the schedule, [inaudible 00:35:54]? Instead of doing the schedule, [inaudible 00:35:58], or do you recommend doing the schedule after the drill?

Tyler: After.

Stephen Oliver: I typically do the intro, look at the schedule before you go any further. But really with looking at the schedule, think of it as you're doing trial close. You're making sure health wise they can do this. You're making sure that schedule wise they can do this. You're making sure that there's no other impediments that are gonna get in the way. I always make sure they're gonna be here permanently so they're not moving out of the area. I've gone through the whole process. They say, "This is great. I hope there's some place in Jamaica." What? "Well, we're moving." I want to know that ahead of time, so that I get that out of the way.

Speaker 1: These things should be on their enrollment form when they come in. What I like to do with the enrollment form and you should have a pretty elaborate one, is just go down and say, "I've got your enrollment form here. I noticed that you're this and that and you're doing this because of this. Is there any other reason?" It has all that stuff on there, but always reiterate all that just to solidify it before you do the enrollment. Last thing, Master Oliver, the self defense part, make sure when they start, "I want to kick ass," and say, "Well, great. That's what we're gonna teach you and how to defend yourself, but we're gonna give you the confidence that you can walk away from a situation and be comfortable about it. And sometimes people won't let you walk away, so at least you have some line of defense that you can protect yourself. Remember, the more you learn, the easier it's gonna be to walk away and feel good about it."

Stephen Oliver: I have a better description.

Speaker 1: Go ahead.

Stephen Oliver: What everybody thinks automatically is fight or flight is it's either push back or it's run away. Running away, if it's a work situation, if it's a situation with a colleague or somebody you're gonna see again, it never works 'cause you have to resolve the situation. If you're in a bully situation, you're gonna have to deal with a bully tomorrow as well. We don't want to get stuck in fight or flight. That's caveman stuff. We want to learn how to resolve the situation. In a bar situation I may never see the person again, so I don't need to resolve it and we're buddies and now we're gonna go out for beers, but I don't want to end up in the walk away, push back syndrome all the time. I want to take a third route. The third route is to resolve it in a way that's nonconfrontational And especially at work with a bully situation with a colleague, I need to resolve it in a way that we can both be on the same side looking the same direction.

Speaker 1: You said a good thing. If it's in a bar situation, you don't need to resolve it. I've been in that situation. There's no reason with somebody when they've had too much to drink, so the best thing is to just walk away.

Stephen Oliver: That would be good. We have infinite stories. We have two types of stories. We have stories of you knocking people out. We have stories of me-

Speaker 1: Master Smith.

Stephen Oliver: And we have stories of me talking out of it. I'm not joking about that. The stories-

Speaker 1: Sometimes they don't let you walk away.

Speaker 10: I think at your level you have a moral obligation to convince them to let you walk away.

Stephen Oliver: This end of the spectrum. This end of the spectrum. He's in the moral relativism. Including what he had at the restaurant where you're trying to eat your steak and you're [inaudible 00:39:23]. My resolution is never fight or flight, and it's not testosterone poisoning. My solution tends to be if they're in my face, I'm gonna kick your ass. Okay, well, that's one possible outcome. But what's the point? You're gonna get bloody. I'm gonna get bloody. They're gonna call the police. We're gonna spend a night in jail explaining ourselves. Yes, I was looking at your girlfriend. She's attractive.

Speaker 1: That never works for me.

Stephen Oliver: Yes, I was looking at your girlfriend. She's attractive. You're going home with her. I'm gonna go about my way. Well, you're a smart ass. I understand how you feel. Other people have felt that way. What you'll find is when you go home it's not gonna make any difference whatsoever. You're never gonna see me again. You're gonna have a great life. I know you [inaudible 00:40:18] me. You've

probably been with me a couple of times. Were you there that time in the movie theater [inaudible 00:40:23]?

Speaker 1: Usually about halfway through that conversation the punches start flying.

Stephen Oliver: Real situation. We're in a movie theater. I have taken all of our instructors out to the late movie. I have Lorenzo, who's third-degree black belt and attorney. I've got Terry, who's this big and twitchy and a black belt. Wants to kill some [inaudible 00:40:47]. You remember Terry. I've got him and about 10 others all with me. Ironically, all wearing Mile High Karate jackets, for God's sake. We're walking down the aisle of the movie theater. There's a cute blonde. I look at the cute blonde. I get out in the hallway and suddenly this skinny little red-neck guy gets in my face. "What are you looking at?" "Her." "That's my girlfriend." "Good for you. She's very attractive." "Well, you're a smart ass." "I understand how you feel. Other people have felt that way. What's the point?" "I'm gonna kick your ass." "That's one possible outcome." In the meantime I'm having to make sure none of my guys kill him. I don't want to have to pay for it.

"That's one possible outcome. I think the thing you're gonna find is we're gonna [inaudible 00:41:37] where they have a cop on staff. He's over there. They're gonna take us to the station. We're gonna have to fill out all kinds of paperwork. In the meantime you could be going home with her. We could be going out to dinner. Everything good." "Well, you're an asshole." "Didn't you say that already? Oh, no, you called me a smart ass. Well, you're right. I can be an asshole, but in the meantime ... " "I'm gonna kick your ass." "I thought we went there already. That's one possible outcome. Why don't you just-

Speaker 9: Can I ask you, [Albert 00:42:08], who in the world taught you how to deescalate a situation?

Stephen Oliver: A lot of it is NLP stuff. Classic NLP training is to go from subjective to objective. Subjective is here's a confrontation, me and him. He's saying things to me. I'm internalizing it. We're having a confrontation. People are in fight or flight mode. I'm gonna run away 'cause I'm scared. I'm gonna beat you up. Mentally I go to here. You two are having a conversation. I'm watching it externally. This is subjective. I'm on the roller coaster. It's going up and down. I'm feeling the fear. This is objective. I'm watching somebody else on the roller coaster, and I'm laughing at them. So if mentally you can go from subjective to objective, it changes your worldview dramatically. I have trained myself over the years to see situations like that as humorous.

I had another situation one time. I got into the I'm gonna kick his ass mode. I was already pissed off. Remember this one? It's when we had the Mile High Karate class coming up. We had \$100,000 budget. The hotel hall was making three days ahead of time was being screwed up, and they're canceling the event. I'm on my way to a sales manager office to yell at him. At the intermediate point at lunch, some nerdy guy threw all my stuff on the ground and took the table we were in and started telling me about how we can't do

that. I was in the mood to kill somebody, and he was the likely target. I very rarely get there, but I was there. The minute I got there, I flipped into this mode. I'm picturing I just watch him through the plate glass window. Here's the guy with the pocket protector and the one thing or another. I just launched him through the plate glass window. And then I realize how funny this is, 'cause this little nerdy guy who has no idea what's going on has just interrupted a ninth-degree black belt on the way to kill somebody. He just volunteered to be the target who had nothing to do with the situation.

I just start laughing. He looked at my like I was crazy. I was, "You have no idea. It's all cool. Have the table. It's just a table." I went over and then I start telling the story to everybody else. They're, "You didn't kill him?" I said, "No, it's so funny. It's so funny he volunteered to be killed while I'm on my way to go kill somebody."

Speaker 10: I volunteer as tribute.

Stephen Oliver: But that's real good dialogue to give people. Going from subjective to objective and be able to pull it out and then pulling yourself out of fight or flight. Fight or flight works fine if you're never gonna see him again. It doesn't work if you're gonna see him the next day. It doesn't work in bully situations. It doesn't work at work. At work you end up with, "I don't want to see you," or, "I'm gonna fight with you all the time." Neither one of them gets you anywhere. Does that make sense?

Zimmerman: Yes.

Stephen Oliver: I don't know if that was helpful or not.

Zimmerman: I enjoyed it.

Stephen Oliver: These guys can tell you. It used to be everywhere we went people would try to pick a fight with him. I always found that hysterical. Of course, he's usually wearing a pink shirt, about three chains. It was a disco era. Say something in your voice. And he talks like this. He would attract people wanting to beat him up. This is when he was the reigning world light heavy weight champion. We used to find it so funny that the one person everybody was picking on was him. However, he liked fight or flight. It was just that they were going to fall down.

Zimmerman: So he liked fight.

Stephen Oliver: He liked the fight part.

Speaker 14: I was willing to walk away.

Stephen Oliver: You were willing to walk away. You just didn't encourage it.

Speaker 14: I never took the first swing. I always let them take the first swing. Always.

Stephen Oliver: And he liked that they took the first swing. Let's put it this way. Shall we go a couple more? Ricky, you're up.

Ricky: Yes, sir.

Stephen Oliver: You can find somebody you know. Who is it?

Speaker 16: I'll be your student.

Ricky: Care to volunteer?

Speaker 17: No, I want to request [inaudible 00:46:43].

Stephen Oliver: That's what we're doing now.

"Will": Do you want me to be the adult or the kid?

Stephen Oliver: We've gone from MMA to kid's taekwondo American kick boxing, whatever the hell we are. You're up. This is the door. You're taking him front the door through rescheduling and they're walking out for the first intro. In this case we're not going to do the enrollment. Just the first intro. He's going to be doing the first intro. Who are the parents?

Ricky: Mr. Smith's right there, and then this is Will.

Stephen Oliver: Let's do both parents. Who's mom?

Ricky: Mom is-

Stephen Oliver: Pick a mom.

Ricky: Pick a mom.

Stephen Oliver: Harris is mom.

Ricky: Come on up.

Stephen Oliver: Allen is dad.

Ricky: Allen is pops.

Stephen Oliver: Okay, there you go. Okay, Ricky. Full normal. If you want to truncate it a little bit that's fine, but don't leave anything important out.

Ricky: You guys can come out here. Hey, guys, how's it going? You must be Mrs. Smith.

"Mrs. Smith": Yes.

Ricky: Mr. Smith, nice to meet you. And you must be Will.

"Will": Yes.

Ricky: Pleasure to meet you, Will. My name's Mr. Garcia. It's nice to meet all of you guys. How was the drive over?

"Mrs. Smith": Good. We only live about 10 minutes from here.

Ricky: Not bad at all. Will, let me have you take off your shoes and socks. We'll put them right here. Let me have ... Which one of you guys have the better handwriting.

"Mrs. Smith": I do.

Ricky: Thought so. Let me grab this. I'll have you fill this out. Will, if you need to use the restroom or get a drink of water, it's right over there. You just go around the corner, so get that taken care of and we'll get you guys started here in a couple minutes. Da, ta, da, he's got that done. Awesome. We're gonna go ahead and get started. Before we get started, Will, I see that you are seven years old. How do you like being seven?

"Will": It's exciting.

Ricky: I bet it is. What's one of your favorite colors?

"Will": Purple.

Ricky: If I could give you a super power, what would you choose?

"Will": Super strength.

Ricky: Super strength, okay. You got some of that super strength in class today like a powerful black belt. Yes, sir?

"Will": Yes, sir.

Ricky: Good, yes, sir. High five. Yes, sir. That's one of the big things that we're working on here is showing how to respect. Is that something that you guys are looking to get out of this?

"Mrs. Smith": Oh, yeah, nice. I like that.

Ricky: I also saw that you guys marked down and circled self discipline, so getting him to work on doing more things without being told.

"Mrs. Smith": Oh, that would be nice. He's a good kid, but just getting him motivated at home or at school. A seven year old.

Ricky: So maybe developing some more habits where he starts getting ready for school without being told.

"Mrs. Smith": Without being told 10 times.

"Mr. Smith": [crosstalk 00:49:19].

Ricky: It's not a bad thing. We're just talking about things that we can work on. In karate I'm gonna teach you all the cool, fun kicks and punches. You want to learn that stuff, right?

"Will": Absolutely.

Ricky: But I'm also gonna teach you a little bit how we can show better focus, how we can be more responsible, more respectful, and just be a better person. That all sounds great, right?

"Will": Yeah.

Ricky: Alright, high five. Cool. We'll go ahead and get started. Let's see. Mr. And Mrs. Smith, let me have you guys go ahead and just take a seat over here on the bench.

"Mrs. Smith": Thank you.

Ricky: I see you're wearing some loose clothing. You're taking classes today, right?

"Mr. Smith": No, sir.

Ricky: Oh, come on, you could use it. Do you want dad to take class, too?

"Will": Yeah.

Ricky: Alright, come on. By the way, next time wear something loose and comfortable. I'll have all you guys do it together.

"Mrs. Smith": Okay.

Ricky: The first things we're gonna get started with, feet apart, hands to your side. This is called attention. When I say attention, bring your feet together, snap your hands, and then don't move. Stay totally still like a statue. Are you ready?

"Mr. Smith": Yes, sir.

Ricky: Good, yes, sir. Look at that, Will. Even dad says yes, sir, so you definitely have to use it with him. Say yes, sir to him.

"Will": Yes, sir.

Ricky: Good job. Ready? Attention. That was good. Now we got to work on being a little faster. You can't let Will beat you at that. Ready? Keep on doing that, though. That was awesome. Go. Ooh, excellent. Now don't move. Attention is working on two main things. That's concentration and self control. We talked a little bit about having him focus, also, focus on things that he needs to get done. You can't move. Not moving a muscle. Now this is a drill.

"Mrs. Smith": He's still-

Ricky: Holding this for 30 seconds is gonna help him create his focus. Also, that's your self control physically. The next one is a bow. Bring your head down for three seconds. One, two, three. Excellent. And that's the main way that we show respect. Say respect.

"Will": Respect.

Ricky: Now is it important to show respect?

"Will": Yeah.

Ricky: Yeah, it's important to show respect. Now a great way that we do that is the bow. A great way that you can show respect outside of the karate school is to look people in the eye when they're talking to you. Yes, sir?

"Will": Yes, sir.

Ricky: You're looking me right in the eye. If I walked over here, you see dad's watching me. That's eye contact. That's a great way that you show respect to your parents and to your instructors in the karate school. It shows you're focused. Yes, sir?

"Will": Yes, sir.

Ricky: Awesome. Now take your left foot, that's this one right here, and step forward with it. Super. Go ahead and show me your hands. Just like that. Let me make sure you've been washing your hands here. Now when I say go I want you guys to say, "Stop. Leave me alone," and try to scare me back. You got to try to scare mom, too, if you can. You got that, Will?

"Will": Yes, sir.

Ricky: You got to give me that power. Stop, leave me alone. Go.

"Will": Stop. Leave me alone.

"Mr. Smith": Stop. Leave me alone.

Ricky: Come on. You've got to let it be more powerful. You got it. Ready, set, go.

"Mr. Smith": Stop. Leave me alone.

Ricky: You gonna let him beat you? One last time. Stop. Leave me alone. Both of you. Go.

"Mr. Smith": Stop. Leave me alone.

"Will": Stop. Leave me alone.

Ricky: Good job. Now curl your fingers down, thumbs on top, bring it by your cheeks, and elbows in. Go ahead and try to twist your body to the side ever so slightly. Perfect. Just like that. Keep your eyes on me. This is a defensive stance. Obviously we're here. We're not trying to fight anybody. If there's ever anybody trying to mess with you, bully, stranger you don't know, I want you guys to step back and tell them that loud, confident voice to leave you alone. Let them know that you're not someone that they should be messing with. In the karate school, the way we train is with our hands up. Now I don't want to see you using this with your friends or your family or dogs and cats or anything like that. Yes, sir?

"Will": Yes, sir.

Ricky: Yes, sir?

"Mr. Smith": Yes, sir.

Ricky: Awesome. High five. High five. From right here the first karate move you're gonna learn, gonna keep it really simple for your first class is just a jump. Now when you jump, it's not a lazy one. I want you to tuck your knees up.

"Will": Yes, sir.

Ricky: Ooh, he remembered that yes, sir. High five. Self discipline. Doing things without being told. He just did that without being told. Keep that up. You got to make sure he's saying it.

"Mr. Smith": Yes, sir.

Ricky: Ready, jump. Good. Now this time I want you to say, "black belt" without me telling you. Ready? Jump.

"Will": Black belt.

Ricky: There you go. Awesome. Now the next move is the duck. I want you to take this back hand and just tap the ground. Let me see that. Go ahead and tap the ground, and then come right back up. Good. You're still using that yes, sir. Try that again and say, "ice". Go.

"Will": Ice.

"Mr. Smith": Ice.

Ricky: There you go. Now say ice this time with that power and confidence. Ice.

"Mr. Smith": Ice.

"Will": Ice.

Ricky: Excellent. One more time. Be faster than that.

"Will": Yes, sir.

Ricky: Go.

"Will": Ice.

"Mr. Smith": Ice.

Ricky: Super. And take a knee. Yes, sir?

"Will": Yes, sir.

Ricky: The seven words of respect. Go ahead and put your hands right here. Repeat after me. Say, "Yes, sir."

"Will": Yes, sir.

"Mr. Smith": Yes, sir.

Ricky: Got to nod your head, too. Say, "No, sir."

"Mr. Smith": No, sir.

"Will": No, sir.

Ricky: Yes, ma'am.

"Will": Yes, ma'am.

"Mr. Smith": Yes, ma'am.

Ricky: No, ma'am.

"Mr. Smith": No, ma'am.

"Will": No, ma'am.

Ricky: Say, "Please."

"Will": Please.

"Mr. Smith": Please.

Ricky: Thank you.

"Mr. Smith": Thank you.

"Will": Thank you.

Ricky: You're welcome.

"Will": You're welcome.

Ricky: Wouldn't it be nice if he was always using the yes, sirs and the yes, ma'am?

"Mrs. Smith": Oh, yes.

Ricky: Isn't it nice to use please and thank you?

"Will": Yes, sir.

Ricky: Good yes, sir. We want to make sure you're using those all the time every where you go. When you leave here today, I need you to be working on that as much as you can every where you go so you can come back to your next karate class with way more respect. Yes, sir?

"Will": Yes, sir.

"Mr. Smith": Yes, sir.

Ricky: Ooh, you're catching on. High five. Back to attention.

"Will": Yes, sir.

Ricky: Put one foot in front. Hands up. Say, "Hiyah."

"Will": Hiyah.

Ricky: Ferocious. Come one. You got to be more ferocious and you say, "Hiyah."

"Will": Hiyah.

Ricky: Oh, yes. Down low. The next move's a high block. You're gonna use this left hand right here. I want you to raise it above your head like a roof. Super. Usually I have the noodle. So I'll go whack, whack. And then bring it back down. When you see this noodle coming down, I want you to bring that hand up, block with a nice loud hiyah, just like you did before.

"Will": Hiyah.

Ricky: Good, and ...

"Mr. Smith": Hiyah.

Ricky: Awesome. Why don't you try that on the other side? Switch feet. Ready.

"Will": Hiyah.

"Mr. Smith": Hiyah.

Ricky: Super. Switch sides.

"Will": Yes, sir.

Ricky: Now self discipline means to do something without being ...

"Will": Told.

Ricky: That's right. Told. High five. High five. There you go. You see how you're keeping your hands up like that?

"Will": Yes, sir.

Ricky: That's another way that you're showing self discipline. What's one more thing that you could do at home to show more self discipline? Obviously not doing the karate, 'cause that's what we do here. What can we do at home?

"Mrs. Smith": Well, the chores we have for him each week are taking out the trash and clean his room and just helping out keeping his stuff put away. What do you think?

Ricky: What do you think?

"Mr. Smith": I'd like to see that without telling him three time to do it.

"Mrs. Smith": Maybe doing homework before going outside and playing without pitching a fit. Right?

Ricky: You seem to be working pretty hard right now, Will, on doing the stuff without being told. This is one of the things that you need to do to get better at karate, get you in belts, is do the same stuff at home to show respect when mom's talking about. Do you think you could work harder on that stuff?

"Will": Yes, sir.

Ricky: Shouldn't be a problem. You're doing great right now. You can go home and do it. It's gonna be great. What's something that he could work on without being told?

"Mrs. Smith": He's pretty good.

Ricky: What? Well, that's okay. If you think of anything, you should let me know. The next class we'll take that lesson together and we'll give him a couple things to work on. Use this left hand. We're gonna low block down to your side. Say, "Tia."

"Will": Tia.

Ricky: Yeah, bring it right back up. Now do that again. Down, back up, but then [inaudible 00:56:29]. Go.

"Will": Tia.

"Mr. Smith": Tia.

Ricky: Again, go.

"Mr. Smith": Tia.

"Will": Tia.

Ricky: I got these two noodles. I'm gonna try to smack you on the side. Ready, set, go.

"Will": Tia.

Ricky: Good. And switch sides.

"Will": Yes, sir.

Ricky: Use this hand right here. Right hand to the side. And go.

"Will": Tia.

Ricky: Super. Snap back to attention. You're gonna take a knee. Yes, sir.

"Will": Yes, sir.

Ricky: You guys are both doing way better at using those yes, sirs without me telling you, so already you've proven an amount of self discipline. Looking pretty focused here, too. What are the four laws of concentration? I'm gonna tell you right now. Take your two pointer fingers, point to your eyes. Say, "Focus my eyes."

"Will": Focus my eyes.

Ricky: Focus my ears.

"Will": Focus my ears.

"Mr. Smith": Focus my ears.

Ricky: Focus my mind.

"Will": Focus my mind.

Ricky: Flex those muscles. Say, "Focus my body."

"Will": Focus my body.

Ricky: What does that mean? You focus your eyes, your ears. You got to be looking and listening to who's talking to you. In karate you got to keep your eyes on that target. You got to keep your ears open. Listen for anyone who'd like to sneak up on you. You got to be aware, know what's going on. Yes, sir?

"Will": Yes, sir.

Ricky: Same thing in class. If you're not watching the board, you're gonna miss it. You're gonna miss what the teacher is trying to teach you. Or if you're not paying attention at home and dad's trying to tell you to do something, you might accidentally misunderstand what they say. You've got to show focus. Focus your mind. That means to think about something. You're doing karate right now, so you should be thinking about ...

"Will": Karate.

Ricky: Yes, high five. Stand up. Yes, sir.

"Will": Yes, sir.

Ricky: Now focus your body. That means to control yourself. Remember attention. When I say attention, we're gonna have our final race. You're gonna try to be faster than me. You got to try to be faster than Will. And will you got to still be as fast as you can.

"Will": Yes, sir.

"Mr. Smith": Yes, sir.

Ricky: Attention. Very good. Now give me that three second bow. Why do we bow? To show re ...

"Will": Respect.

Ricky: Good. Bow. One, two, three. Mr. Smith, why don't you take a seat right here? Thank you very much. Nice job. Give me a high five on that. I'm gonna have you stand right here, Will. Turn around. I have a karate challenge I'm gonna send you home with. That way next class you can come back and earn yourself a white belt. You ever seen a white belt before?

"Will": No, sir.

Ricky: No? Well, all those other students, those ones in the white [cuffs 00:58:33], they have on those white belts. That's the very beginning belt you get. I'm a black belt. I can't give you that on your next class, but do you think that maybe you want to be a black belt like me? You learn how to do all this cool stuff.

"Will": Are they better than white belts?

Ricky: Black belts have worked way longer than a white belt, so they got experience.

"Will": That sounds cool.

Ricky: You think you want to learn how to do all [inaudible 00:58:53]?

"Will": Yeah.

Ricky: Obviously, getting to the black belt is gonna help you with that concentration, self discipline. Just look at any of the other black belt kids that we have around, the level of focus and discipline that they have is essential that we want for him two, three, four years down the road.

"Mrs. Smith": You're not teaching him how to fight. He's not going to be picking fights at school. You're more teaching him control.

Ricky: Exactly.

"Mrs. Smith": Okay.

Ricky: That's exactly it. Let's talk about that's you're looking to get as he gets better at all this.

"Mrs. Smith": Yeah, for sure.

Ricky: Awesome. Here's your karate challenge. You have three things that you have to go home to do to earn the white belt. He's also gonna need your help with this. Help him with that, then he'll be very successful with it. When he goes home have him work on the seven words of respect. The yes, sir.

"Will": Yes, sir.

Ricky: No, sir.

"Will": No, sir.

Ricky: Yes, ma'am.

"Will": Yes, ma'am.

Ricky: No, ma'am.

"Will": No, ma'am.

Ricky: Please.

"Will": Please.

Ricky: Thank you.

"Will": Thank you.

Ricky: You're welcome.

"Will": You're welcome.

Ricky: All right. You also got to work on the student creed number two. Repeat after me in that loud, confident voice. I will only fight.

"Will": I will only fight.

Ricky: To protect my life.

"Will": To protect my life.

Ricky: And the lives of others.

"Will": And the lives of others.

Ricky: That was perfect. So you're gonna have to memorize that and tell it to all the other kids in front of your class next time. Yes, sir?

"Will": Yes, sir.

Ricky: You're gonna do great at that. That's how you earn that white belt. The last thing I have to send you home with is remember self discipline, to do something without being ...

"Will": Told.

Ricky: Without being told. He's getting that. You got to go home, get some things done without being told. We talked about a few ideas already. The homework-

"Mrs. Smith": Trash, cleaning his room, and don't try to go outside before getting that homework done.

Ricky: Say, yes, ma'am.

"Will": Yes, ma'am.

Ricky: One last thing I'm gonna send you home with. Say good attitude.

"Will": Good attitude.

Ricky: I heard a couple hmm for all these chores. Don't have a bad attitude about it. Just like the karate thing, you came here ready to have fun.

"Will": Yes, sir.

Ricky: And you had a great time.

"Will": Yes, sir.

Ricky: Now if you go home ready to just put a smile on your face, get it done as quickly as you can, it's gonna be as easy as karate class and almost just as fun. Yes, sir?

"Will": Yes, sir.

Ricky: And plus if you do all that, you get to come back and give yourself a karate belt and start on up that chain. Yes?

"Will": Yes, sir.

Ricky: So that's your karate homework. Parents, I want you to fill out this questionnaire so we can get to know you guys a little bit better. Here's a schedule. I'll send you home with this. I want you guys to go through that before your next lesson. We'll sit down, talk a little bit more about future training and classes. Also, one thing. We can do it on the second class or I can give you guys a few classes so you can see how he does, but after his group lesson on the next class, we can do an evaluation and enrollment conference. I'll give you some feedback on how he's doing. Then we'll take 15, 20 minutes go through the tuition for our programs, the schedule of our classes, answer any more questions that you guys have, then I'll get you enrolled.

"Mrs. Smith": Okay.

Ricky: Would you guys like to do that, or do you want to have him take a couple more classes and then we'll talk maybe on the 3rd or 4th class?

"Mrs. Smith": For the sake of today, she would we go through it now?

"Mr. Smith": Do it now.

Ricky: Unfortunately I wouldn't be able to do it with you guys right now. I have an appointment I have to run to. But how about this? Let's make sure that he shows us that he's really serious about this. Go get your homework done, earn that white belt. I can schedule you guys on the next lesson for that conference.

"Mrs. Smith": Absolutely.

Ricky: Okay, great. So just go through that schedule, get all that done. Also, look through your budget. Have an idea of how much you'd be able to afford and sit down, get him all started up on the next lesson, too.

"Mrs. Smith": Okay.

Ricky: Thanks a lot, Will.

"Will": Yes, sir.

Ricky: Thank you so much, Mr. Smith, for taking class with us. Make sure you wear something loose and comfortable again on the next lesson.

"Mrs. Smith": Me, too.

Ricky: You, too. And we'll have that next lesson together as a group class. If you guys don't want to continue after that, that's fine, but I just find it's really helpful, especially for our kids to do with their parents the first few lessons. That's what I do with my [inaudible 01:02:16], too. I have a class available next week, 6:30 on Monday or 4:30 on Tuesday. Which works better for you?

"Mrs. Smith": He has swim lessons on Mondays, so Tuesday.

Ricky: Tuesday 4:30? You're gonna get your homework done. Yes, sir?

"Will": Yes, sir.

Ricky: You guys working with yes, sir. That sounds good until number two. I'll see you guys Tuesday at 4:30. Attention. Bow. One, two, three. They'll work on that with you. Teach mom those moves. That way she's ready for next class.

"Will": Yes, sir.

Ricky: Thanks a lot, guys. I'll walk you out.

Stephen Oliver: To clarify, that was kids. Often times only one parent there doing the two lesson intro process. First lesson scheduled for the second, coming back for the second. Typically what would be happening is he'd be teaching. He'd hand them off to the program director. The program director, we have a little form. I don't have it with me, but if you want to go to milehighkarate.com/secondlesson, S-E-C-O-N-D-L-E-S-S-O-N, it's right there. There's a PDF version. We have two pages. We have milehighkarate.com/firstlesson, milehighkarate.com/secondlesson. First lesson is designed for them to have gone through before they show up the first time. The level of efficacy on that is probably pretty low, but that's the hope.

Speaker 21: I have a question on the [inaudible 01:03:54] intro. Are you doing that parent goal [inaudible 01:04:00], so he's going to get it done and then they get to see the immediate benefits? When they come back for the second one, you're, he did everything that he was told and some things he was told without being told, so you really let that first intro settle in and settle with them before they come back for that second one? That's what I saw. Really what I saw is you're cooking them. All right, ready, ready, ready, ready, ready. Nope. Okay, wait. Okay, now.

Ricky: Exactly. We're trying to show the parents the benefits for a little bit before we actually show them and show them that this is something that the kid wants to do and that this is something that they're working towards. That way it's not us trying to sell them on it. It's something that they're already engaged in.

Speaker 21: It sells itself.

Ricky: Yeah, it sells itself. Potentially that's what you want them to be so invested that you sit down, go through the enrollment conference, and no matter what, it's they're going to make it work.

Stephen Oliver: And in that sheet that I was telling you about, that second lesson, is program director would typically walk them through it, and he says, "Now between now and next time, please sit down as a family. Talk about your level of interest and desire to continue. Take a look at the class schedule. Pick what two times a

week that you're going to be able to make it in for class. Joey, we were talking about the student creed. Here's the full student creed. What we want to do is go through that and memorize that. If you have that memorized next time, then you'll go ahead and get your white belt. You need to do the self discipline sheet as well that we talked about. That way you can earn your white belt next time." And go through the rest of the information as well. "What we do require is we require both parents at that class, anybody who's going to be involved with transportation or finances. We're gonna sit down, do a thorough evaluation, go through all the details. We want to give you some feedback on how he's doing so far, answer any questions you have. But then we'll go through all the details and the program and structure and get everything finalized and get him going." And that sheet that I just went through, I almost read it verbatim.

Speaker 22: Plus it sounds like you're not trying to push it right now. If you don't do it, then okay.

Stephen Oliver: There's two schools of thought. I can see both sides. One school of thought is do the enrollment right there in the first lesson, kids or adults. The other school of thought is lesson one, lesson two, finalize that with the second lesson. The school of thought on doing it the first lesson, the benefit of that is you don't have any [inaudible 01:06:27] between they came once and they don't come back. The thing I don't personally like about it, most often the scenario is no matter what we did, mom shows up with the kid. No kid in tow first time. My personal rule of thumb for our school, not rule of thumb like written in stone, we don't do an enrollment conference without both parents or anybody at all who says they're going to be involved with the decision, period. Sometimes when you hear behind the scenes Master [inaudible 01:06:58] and I have this argument. I just don't like the 30 day money back guarantee thing. Personally in my bones I don't like it. He likes it. Has good results with it. Other people have had good results with it. If we do a cancellation option, I'll do the, "Here's the ID card. You need 16 or more classes. When he gets his gold belt on October 12th, on that day we can make a decision that this is for you or it's not. We can cancel it at that point." I like that.

Speaker 22: Notice you didn't say refund.

Stephen Oliver: No. But the reason I like that is the other one gives them an opportunity never even to get started, where my version is you're gonna come twice a week, 16 classes, qualify to test for black belt, and then at that point I believe you have enough experience with the program and enough way to objectively evaluate that you're not thrilled. We'll just cancel at that point. See the difference?

Speaker 1: The other plus on that is they're at a high point. They're excited because they got their new belt, that that graduation. They're getting medals for doing their self discipline sheets. They're seeing the leadership people demonstrating advanced techniques that they're going to get to do later. So now that whole graduation ceremony is like an infomercial for our black belt program.

Stephen Oliver: I had to leave my hand there to not lose my train of thought. The reason for doing the 30 day money back guarantee is I just got mom to sign and give me money without dad being there. And now she's gonna go home and dad's gonna be annoyed. Now I want her to have the reason why dad needs to simmer a month before he's annoyed. Honestly, that's the only reason for that kind of guarantee. Notice what I said philosophically. Philosophically one way whoever shows up with the kid, if it's a parent, you do the lesson, you enroll them, but you have a fault lack position. The other philosophical way I prefer because I know if I don't get both parents fully engaged now, the renewals gonna be bad. Chris, there you go. You had asked a question recently about mom's been bringing the kid for six months. Dad hasn't been there. Dad comes in and then he immediately says if it's gonna be more money or more time, I don't want to do this stuff.

Chris: [inaudible 01:09:29]

Stephen Oliver: From my world view, the problem is I should've known week two we haven't seen dad. I want both parents not only to take class with him, but if I can't get that, sometimes you can't, I at least want to have both parents engaged in the process.

Speaker 1: And invited to that first graduation. Most parents, even the ones that are disengaged, that second parent, usually when the kid has a graduation from elementary school or a recital or some special performance-

Stephen Oliver: At least gonna be there.

Speaker 1: ... they're gonna invite them. Make sure that they're invited. Now he's gonna see that. That dad is gonna see that graduation and I guarantee you, the way we structured our school, the dad's gonna be impressed 'cause he's gonna see all these other kids getting self discipline awards, book club awards, all this other special stuff. And he's gonna see his kid getting a lot of those, too, because he's gonna have his folder with those in there. We're gonna make sure they're engaged. That's part of the process, Chris, that if you miss, if they don't have that enrollment folder with those worksheets where you can check it on a regular basis, I like the stripes on the belt because I don't have to go look through all their stuff. I can just look at the student and tell you whether he's ready for an upgrade. Can I tell you that the dad wasn't there? No. But at the graduation when we invite them and they fill out their intent to promote form, they're gonna also get an intent to promote form to their teachers at school are gonna fill out a sheet. The parents fill out a sheet. That's how we see that both parents are engaged.

Stephen Oliver: What's my biggest problem? The nanny's bringing the kid and neither parent is there. That's a huge problem. What's the next problem? Mom is dropping the kid off on the curb and going and doing her shopping. I nip that in the bud quickly including just telling them certainly for the first five or six months we do prefer, encourage, and hope you'll take class with him, but if you don't, we at

least want a parent to be here during the class so you see what's going on, know what the assignments are and are engaged in the process. If I have the mom who is just dropping the white belt off ... Now if they're a blue belt, fine. But if they're a white belt, I'm gonna go to the curb and say, "Hey, Ms. Jones, I was wondering if you can make it in to the class next time. I wanted to show you some of what we've been working on and catch you up with the progress." And then when she shows up next time I'm gonna say, "Really for a white belt, we want a parent to be here for class. We don't want the kids to just be dropped off. We want to make sure you're engaged. In fact, you should try taking class with him today."

That whole parent engagement process makes a huge difference. Also implicit in that question that you asked and I'm reading this into it, but what I also read into it is dad shows up to class and sees he's made progress. Well, to me that means he's seen physical progress. In other words, the kid was a klutz. He's fairly competent at kicking and punching and stuff now. But the progress I want to have seen, he's more respectful at home. He's getting better feedback from teachers. He's cleaning his room. He's behaving better at home.

Speaker 1: Doing his healthy eating. Is he doing his job list? Is he doing his self discipline sheet? Is he doing his book club? Has he been practicing his martial arts at home? All of those. Check, check, check.

Stephen Oliver: Yeah, and even the most disengaged dads, if they are seeing the kid do this stuff, even if they're divorced, as he's starting to see this improvement and you're keeping him engaged and you're asking for dad to come down for intermediate progress checks, they can't help but be impressed. That's back to the question you were asking a minute ago. They can't help but be impressed with the change that happens with the child. Now, I can tell you as a parent take it out on martial arts. If it's dance or whatever, my son was klutzy at dance. He's pretty good at dance six months later, I still don't care. If he's having fun, great. If he's not having fun, fine. But physical part of what we do is important to us. Not important to them. Very few of them care one way or the other. Learning how to choke. You're learning how to kick. Same difference. You're learning how to kick a soccer ball. You're learning how to kick at a target head. Same difference. The physical part means a lot to us emotionally. It doesn't to them. So what you've got to do is recognize that it's about the emotional, spiritual, attitudinal, development of their child. If they see them in class, they're much more impressed by them looking confident than how high they can kick. Does that make sense? That's the other thing I read into that.

Speaker 1: What gets them enrolled is the kid got excited. He liked it. The parents saw some character trait benefits right there at the beginning when he heard him talking about the seven words of respect, the four laws of concentration, talked about self discipline and doing things at home. That's enough to jumpstart him into an enrollment. That's not enough to upgrade him. To upgrade him you're then gonna need those sheets filled out so the parents sees through one testing cycle that all of a sudden the kid's engaged and done those things. Now that

anchors in, well they just didn't give me lip service at the beginning. They actually track it. It's actually represented by his belt. They're actually giving him that strike in class, and he's getting recognition from the teachers, from his peers, from his parents at home when they fill all that out. See, all those systems in place has to be part of your enrollment, but remember, you can fool people to get them signed up. You can't fool them to upgrade them. You have to have real substance. When the parents see the kids at home engaged doing things that they never did before unless there was a fight at home to try to get them to do it. Most of the time the parents give up after trying for over and over. Then they just say, well, I'll do it myself. It's easier. Now the kids are doing these things.

This is a unique program not only, but on top of that, the kid is developing confidence and some self defense and physically getting better. That all make sense?

Speaker 24: On the subject of the parents, what we've had trouble with in all of July was getting both parents in for the [inaudible 01:16:27] time.

Stephen Oliver: Yeah, join the club. You and everybody else. Anybody else have problems with getting both parents there?

Speaker 24: I know that your main thing is if you can't get ahold of dad, or if dad can't come in. They say oh, you just can't come in. You call them, and you tell them about the program. You go from there. How do you [crosstalk 01:16:47]?

Stephen Oliver: No, I wouldn't say that.

Speaker 1: You don't want to sell it over the phone.

Stephen Oliver: Yeah. Where maybe that's in context is I've got grandmother who's helping them pay for it and she lives in Idaho. I've got dad who's deployed in Afghanistan, and they have sat phone conversations and he's next due back at Christmas. If I have that kind of situation, obviously there's exceptions. In fact, I got to tell you, we haven't done this much. We have a couple of members, I forgot who it is, doing it. Nowadays I do it on a little Zoom video conferencing. It's so cheap and easy. Have you ever done that, Greg?

Greg: Yes, sir.

Stephen Oliver: Steve [White 01:17:33] was doing that. Steve still is I think. He was even doing renewal conferences. He had his most competent guy at this other location. So he was putting a video conference together at the other location going into the office, and he was sitting in on the conference. There's all kinds of technology things. Zoom is the first time that it's been good enough and not glitchy that I would have done it. I wouldn't have done it with Skype a year ago, and I wouldn't have done it with FaceTime or something.

Speaker 1: Chris, do you have a question?

Chris: Yeah, I had a different scenario. First intro everything goes fine, but the problem is normally we only have one parent coming in or sometimes both. Once kids go back home with whatever materials they need to come back for second lesson, I ask the parents both parents to be there for either for [inaudible 01:18:23] for second lesson. How do we keep the kids motivated enough for the dad, who's the first time for the second lesson, to see the value so they would get enrolled easier? That's my biggest challenge that I have. First class it's pretty easy for them to go through it.

Stephen Oliver: Greg, go ahead.

Greg: I think what he's saying as far as the keep them engaged enough and keep them going, and this is one of the feedback pieces that I have for Ricky's intro is he did a really good job of planting some seeds and saying this is how you're gonna earn a white belt. Mainly from the mental, what the parents want to see and my piece of feedback would probably hit this point is that if you were to really get the kid excited about the punching, kicking component of the white belt test. So whatever you do, I don't know, maybe you don't test them on that for the white belt, but that's something we implemented for them. And then they're really, they're at home, they're practicing. We tell them to earn your white belt, you're gonna have to do all that stuff that you said, and you're gonna have, just like we did in class, we learned the back fist, we learned the front punch, the reverse punch, the front kick. You want to do a pretest right now? So then I sit them down right there. I do a pretest. I say this is not your test. You got to get ready. You're gonna come back and we're gonna test you for your white belt, but this is what you're gonna do in the class. Let's go and practice this right now so you're comfortable. You know exactly what to expect when you come back.

Then I say, all right, come up and you're gonna do back fists. I actually have them sit down, especially if there's two or three of them in the group. It really helps because then the parents are, "That's my kid out there." And they're clapping for each other and they're doing that stuff. Then you say you're gonna do back fist, front punch, reverse punch, front kick, boom, let's try it. One, two, three, four. You go through it. Awesome. See? You are ready for your white belt test. Oh, yeah, and we got to do the student creed. Let's see if you can say the student creed. Then you go through it. That's your white belt test. Do you think you can practice that a little bit at home? Because when you come back, you're gonna be in front of everybody. You might be a little bit nervous. Now, mom, this is one of those things that we do to really help build their confidence is we give them that, but ultimately a white belt is about self esteem and confidence. We want them to develop that confidence. If we were to give you something to work towards, mom, we want high fives. That helps their confidence. But ultimately, if they set a goal and they achieve it, they work hard, they're gonna feel really awesome after that next class. Let's go ahead and practice that at home.

We have that on our intro thing they got to do that. That gets them engaged enough to at least do some practicing. You don't want them doing a lot of karate at home.

Speaker 1: What Chris was saying, and I think that addressed that. What you have to do when the dad comes back, when he sees the kids going through those requirements, he hears the kid say the student creed, he's seen him do the self discipline at home. And what is gonna happen in that classroom is gonna impress the dad, 'cause what are we doing in that second lesson? We have our character words of the week, match chat. We'll be reemphasizing the four laws of concentration. We'll be reemphasizing the magic words of respect. He had the self discipline. Now the dad sees all that going on in one class. He's gonna be impressed. He's gonna think that's what I want my kid to learn. He sees him doing the physical techniques. He sees the discipline that he did at home, the self discipline. He hears him talking about the four laws of concentration. Because if you don't repeat it after that first lesson, then they forget it. We use it every lesson. Who can tell me one of the four laws of concentration? Even the three and four year olds raise their hand. They know it. When the parents see their kid raise their hand, they're impressed that their kid knows it. The ones you haven't raised their hand, they're learning it now, and then the next class they'll be the ones raising their hand.

It's that whole positive reinforcement, us checking, reinforcing. Every class you have to make sure that you're training them physically and mentally. They should be yelling and hitting that target, getting enthusiasm, not just sticking their hand out. If they're not doing it straight, they're not doing it hard, what do we do? And you heard me talk about this before.

Stephen Oliver: And psychologically you want the endorphins going off. If they're doing it [inaudible 01:22:51], they're not doing it [crosstalk 01:22:52]

Speaker 1: Exactly. And how do we do that, and how do we pull everybody in to that category? Because I guarantee you, I can go to any one of your schools and not everybody's doing it. But how do you get everybody to do it is you pull up two or three that are doing it right. You put them on a pedestal. We call that pre-framing. We call that spotlighting. Now we pull their kid up. That kid's doing it. Now we're trying to get everybody to match them and go as fast as them, yell as loud as them. And then when Johnny, who has never been doing it, now is doing it, "Great, Johnny, you come up to the front, too. Everybody watch Johnny now. Try to catch Johnny." I keep the others up there. I might have two up there. I might have three, I might have four. But when four or three or two are doing it and the others are trying to match them, not you doing it they try to match you, because they don't think they can. But with their peers, now we give these guys a big hand. Those other kids see them getting that extra recognition. They see them getting the praise from the instructor. They see them being spotlighted. Now they want to be spotlighted, so now they will try harder.

Do we catch every kid like that? No. That's why we say we don't renew everybody. We're gonna catch 75 to 80%.

Stephen Oliver: And again, we're not doing renewals this weekend. We're doing enrollments.

Speaker 1: It's part of the enrollment.

Stephen Oliver: Absolutely.

Speaker 1: Because it is the second lesson, because as we said what you do in that second lesson that's gonna get the dad who didn't get to see the first. 'Cause I guarantee you if the dad comes to the first, he'll already be impressed.

Stephen Oliver: Absolutely. The only critique I would've had for Ricky is right at the end he wimped out on their enrollment next time. Your language. You got really windy about it. [crosstalk 01:24:39]

Ricky: Do you want to go ahead and do it right now?

Stephen Oliver: Next time we're gonna sit down and do the evaluation, answer any questions you have, give you some feedback on how he's doing, and then go ahead and finalize your enrollment, get him started, get everything done. Period.

Ricky: I've done that. I've been doing that a lot in the past. I just recently I switched over to being a little less on that, 'cause my personality type. It hasn't been working for me. Just the way I've been doing it now has been working a little better where I'm not ... I feel like people will think I'm just going at them saying, "You got to get enrolled next class."

Speaker 1: What you do and let me-

Stephen Oliver: Here's my favorite intellectual quote. We won't go down that tangent. My favorite intellectual quote is, "All systems left unattended tend towards ... " What's the right word?

Greg: Atrophy.

Stephen Oliver: Atrophy. Anytime I can quote a famous physicist. All systems left unattended tend towards atrophy. You don't want to be pushy. The way I said it it wasn't pushy. Next time what we're going to do is we're gonna sit down and go through a thorough evaluation. Between now and then talk about your level of interest, desire to continue. If he wants to go ahead and get started what we're gonna do is go through all that information. We'll sit down, finalize the enrollment, get him started, get everything going for you from there. I'm still saying if you want to get going, but I'm not saying we're gonna push it down the road. Three hands. Go ahead.

Speaker 25: I know something you mentioned a lot with us when we were having some trouble with our down payments. Our initial investment was mentioned, \$400, ahead of time. I know that we implemented that. We had a lot of luck with people not being, "Well, what's an initial investment?" I know that's something that wasn't mentioned during the lesson.

Speaker 24: And I throw you guys over that all the time, especially my part-timer. I say, "Did you write it down?" He's, "No." "Write it down."

Stephen Oliver: I guess I missed what the-

Speaker 24: That's when you're ahead and you're saying, "Oh, if you sign up next time you get a \$400 discount." And you write it on a piece of paper. You give it to them so that they have an idea of it. And then when you do it in the conference it's a little bit easier.

Stephen Oliver: Generally I would like to get all of us, and I do it to sometimes, too. I would get all of us to stop using sales-y terminology. One word that I hate is sign up. If you want to do the pause for a second and think about the right terminology, think of the terminology a Harvard's admission counselor would be using, not the terminology the sales guy at the health club would be using. The terminology isn't ... He and I argue about this, too. I don't like the word sign up. Period.

Speaker 25: Enrollment.

Stephen Oliver: Yeah. We'll get you started. We'll get you enrolled in the program. I don't like monthly payments as a word. It sounds like I just signed a deal to buy a car. What I'd like ... I just truncate it to investments. I'm [Hoffman's 01:28:18] version of monthly investment. To me that sounds like it's a lot of money. Of course that comes with the real estate world. I prefer to just say it's gonna be \$247 a month. Notice subconscious body language that I just caught myself doing it again. What did I say when I said that?

Speaker 25: You shrugged.

Stephen Oliver: I shrugged my shoulders. That was totally subconscious. My body language when we're talking about money is exactly the same and just as nonchalant as it is about anything else. There's not change of state whatsoever. It's always it's no big deal. It's gonna be the way we used to have people role play our staff. Because I always had one problem. I always had the problem of young staff who financially what would be in their mind is I wouldn't be able to pay that. So the way I would train them is what we're going to be doing, normally it's \$600,000 to enroll initially. Since you came in from the after school program, we give you a \$300,000 discount if you go ahead and finalize the enrollment today. The monthly tuition is only going to be \$247,000. How would you like to pay that initial? Would you like to do Visa or MasterCard, check, cash, first born?

Speaker 25: I always use the first born for portion of [crosstalk 01:29:43].

Stephen Oliver: And you notice I shrugged. I would never let them sit back. I would never let it be across a desk. That's negotiation mode. I used to put a strip of masking tape. Your butt can't go beyond the masking tape. Now I'm assuming we're not across the desk. I'm here. I'm engaged. Your butt can't go beyond the masking tape, and the body language is never gonna change. What that sales practice will be, "Well, Miss Jones, is Joey's health in good shape? Any health problems? Anything? Injuries or asthma or anything we need to know about?" "Oh, no, he's in great shape." "Fantastic. We have classes. Here's the schedule. What two days a week are going to work?" "Tuesday, Thursday." "Fantastic. Joey, you memorized the student creed. That's great. I'm really excited about that." No, "Miss Jones, the tuition is \$500 down and 247 a month. Will that work?"

Speaker 25: You felt the disengagement.

Stephen Oliver: You see? But that happens a lot. Voice tone changes and really somebody who's new what you'll see if you watch the videos is often times a subliminal message they're sending is you can't afford that. Can you? I can't believe you could possibly afford that. Really? You can afford that? Sometimes that's what's going on in their mind. It's gotta be you're coming Tuesday, Thursday. Fantastic. We talked about the tuition a little bit last time, didn't we? Oh, we didn't? Well, it's gonna range from 197 to 247 a month. Is that gonna work okay for the budget? Great. Fantastic. Now, Joey, do you have room to practice at home? I'm just diagnostic going through. The reason I ask is don't want any kicking and punching any of the dogs, cats, plants or anything, but we want to have a room for him to be engaged.

Now what did I do? I took the pressure off of money, even though I never conveyed any. Even at that question, here's what I want is I want everything to stop for a second. Usually the best reaction is, "That's a little bit more than we thought it was gonna be. Sue, what do you think?" "Well, if he really wants to do it." Are you gonna be serious? And what do you say to mom? Yes, sir. Yes, ma'am. "Well, okay. Yeah, we can do that." I like that. If they just say, "No problem." Sometimes they're just egging me on to keep going through the saying and they haven't really thought about it. Of course I really don't like, "Oh, no. There's no way we could possibly [inaudible 01:32:44] and get him here and pay for that. I have to take a shift off of my night job." I don't like that answer either. We're hoping not to get broke people in the door. But I want to make sure there's no body language change. There's no tonality change. Every time I ask a question I don't want to breeze past it. They say, "Well, we probably can." Well, let's talk about this. It's important. If you don't have money to feed him and put gas in the car and bring him to karate, he's not going to do very well. This anemic kid is not gonna do well.

See how I joke about it? By the way, people start negotiating price. I'm more often find the guy wearing a Rolex who just drove up in Porsche tries to negotiate. I always go can you or can you not afford it, not is this the right price.

See, when people try to negotiate they will be it's \$247, that's a lot. Oh, I thought you said it was okay. Can you still pay the rent and the mortgage and put gas in the car and feed him and do that? Oh, yeah, well, of course we can afford it. Oh, okay. Because when they try and negotiate it, what they're trying to negotiate price, and I never go down that path even an iota. When they say that's a lot of money, I don't go to justify it. Well, keep in mind you're going to get this and you're going to get this and you're going to get this and it includes this and it includes this and it includes this. That's verbal diarrhea. Ba, bom, bom, bom, bom. Oh, you get this, you get this, you get this. Surely, you think that's worthwhile. No, shut up. Oh, well, we want to make sure it's affordable. Are you going to be able to pay for the house and the gas and so forth? Is that going to work in the budget?

And if it's somebody who has money who's trying to negotiate, well, of course they can. Oh, okay. So that'll work? Great.

Speaker 25: What if they say they can't afford it?

Stephen Oliver: Well, I've got to go down that path and see how far broke they are and if there's anything I can do.

Speaker 25: Do you discount anything?

Stephen Oliver: No.

Speaker 1: Well, exceptions.

Stephen Oliver: Well, I'm gonna explain. I never discount anything, period. Occasionally I'll do a need-based scholarship. That's a completely different thing. Discount implies the price is negotiable. Does that make sense? There is the other discount. I think you were going where I just said, right?

Speaker 1: No, but that's okay. I was just talking about ... see, usually when they say, "Well, that's a little high," or, "I can't afford that." I'll just say, "Is it the down payment or the monthly payment?" 'Cause you got to be clear on those. Sometimes they go, "Well, the monthly payment is no problem, but it's the down payment. I can't do both right now." "Oh, no problem."

Stephen Oliver: And we're not there yet. A lot of times you'll get stuck on that. If I'm in the enrollment conference and I said it's gonna be 600 initially, 247 a month, a lot of times at that point they'll say, "Oh, I can't do that." Well, in the way that I've gone through it they already said they could do 247 a month. So I assume it's they can't do the 600. I've already asked them if that'll work. They said that would work. And then I get to the down payment and the monthly. They say, "Oh, I'm not sure we can do that." I'll say, "Oh, is the initial enrollment in the first month, that's not gonna work for you right now?" They'll say, "Well, no, I don't get paid until the first and that's a little tough. I didn't know we were

gonna have to do that." "Okay, what would work for you?" "Well, the monthly would be fine. We can do that." "Okay. Do you want to do that now?" "Oh, yeah, that's fine." "I'll just take the credit card. Write it up. Get the agreement. And then I'll go back and say, "Now, how about the additional 300? When will that work for you?" "Oh, can I do it on the first?" "Sure." Notice. Not going to make anything a big deal.

And I'm not gonna get in to negotiation mode. Again, stepping through. And then if I still get, "Oh, I'm not sure we can afford this," or, "I'm not sure we want to do it," or, "We want to go think about it," I'm gonna start over. The first thing I'm gonna do is agree with them. "Oh, I understand. A lot of people need to think it through and make sure it's appropriate. Just to clarify my thinking," and I'm gonna start at the top, "He doesn't have any health issues we're worried about, right?" "No, he's great." "And the class schedule is gonna work? The Tuesday, Thursday gonna work?" "Yeah." "And you said the 197 to 247 would work for the budget?" "Well ... " Now we have that conversation. A lot of times you get back to that and they say, "Well, I want to make sure he's serious." "Oh, absolutely. What do you think, Graham? Are you going to be really serious about this?"

Greg: And then I usually say, "What do we say?" "Yes, sir."

Stephen Oliver: Right. "Raymond, you gonna be really serious about this?" "Yeah." "Can you say yes, sir? Fantastic." Randy, did ... And what I'll become is devil's advocate. "You got to make sure you're gonna be here twice a week. Even if you want to be playing the latest PS1 game or whatever it is or if it's warm out of school with our friends, Tuesday, Thursday or Monday. We put it down for Monday, Wednesday, so you're gonna be fine with that?"

Greg: Yes, sir.

Stephen Oliver: And then, "You've had fun in class so far, but you really got to make sure you're working hard in class. And then the second thing we got to make sure we're working on, on practicing the things at home. Are you gonna do that?"

Greg: Yes, sir.

Stephen Oliver: "Miss Jones, what are you specifically concerned about?" "Well, he dropped out of boom, boom, boom, boom, boom." "Okay, well, honestly, when did you want that to change?" "What do you mean?" "Well, that's exactly what we do is we're teaching follow through, goal setting, long-term achievement. Really, the children who've had problems with dedication, follow through, and commitment, that's what we're fixing. A lot of kids we get is referrals from counselors and from teachers. That's exactly what is we're teaching them personal discipline and self discipline and the ability to follow through on those things. I'm sure you can see that already from the process." Yes, sir.

Speaker 26: I just want to clarify on my thinking. When you're doing this and giving the need to go home and think about introduction, you immediately recycle back to the beginning. So are you trying to reclose them at that point, or is it you're just-

Speaker 1: Find out what the real objection is.

Stephen Oliver: Find out what it is.

Speaker 26: So you need to think about is the objection.

Speaker 1: Exactly. What it means is there a reason they're going to think about it. What we want to do is address that, overcome that now. I guarantee you, most of the time there's only two reasons. It's either-

Stephen Oliver: Right. Money or commitment.

Speaker 1: ... financial or it's gonna be commitment. Most of the time if it's financial, they're gonna tell you right there. But if it's commitment, they want to go back and make sure that Johnny ... What I'll find before I ever do that what you were saying, Greg, does the 30 day thing getting the first belt. I find that when we tell them, like you said-

Stephen Oliver: Let's get to that. We're not at that point.

Speaker 1: We're right there where you said-

Stephen Oliver: Well, we're not yet.

Speaker 1: [crosstalk 01:40:49] has a question. It might be what we're talking.

Stephen Oliver: We're not yet.

Speaker 1: Stand up.

Stephen Oliver: Hold up. Hold the thought. I just said what else are you concerned with? She says well, he has dropped out of a couple of other things. I'm going to go back to that's what we ... When did you want that to change? That is what we do. What do you mean? This isn't some other recreational seasonal activity. You have school. You have the martial arts school. You have sports, recreational activities. This is an ongoing thing where we're teaching him that discipline, follow through, focus, fixing that challenge. Now, I'm either going to get a, "Oh, well, that makes sense. Absolutely." She says, "Raymond, are you really going to be serious?" He says, "I am." They have a little talk with each other, and they go forward. Now I'm not offering anything. See, 'cause that's the other problem with any counter offer. Probably what you were getting ready to say.

Speaker 1: I was not.

Stephen Oliver: You weren't?

Speaker 1: Nope.

Stephen Oliver: Nope?

Speaker 1: Nope.

Stephen Oliver: But the ... Can you tell we've been working together for 15 years?

Speaker 1: It was right exactly at what you were saying right there. I just add one more layer on that.

Stephen Oliver: Okay. Go ahead.

Speaker 1: Because I use the martial arts. Where he said they're not in the habit of sticking with things. I'm saying, "Well, that's why our martial arts program is structured the way it is. We teach them how to stick with things. Because our martial arts program teaches them how to set goals and stick with those goals. We find, also, because they have these short-term and intermediate and long range goals, it helps them accomplish that. They can apply that in their daily life. But, just as important, the martial arts is something that's really for kids to stick with, because it's a fun activity. Now when they're having fun, they have these little short-term reward system that we have structured in the program. We find that they have no problem at all sticking with it."

Stephen Oliver: We're coming up on 40 years of doing this shit together.

Speaker 1: Really? Just 40?

Stephen Oliver: Well, I'm not counting previous. I'm talking about business stuff.

Speaker 1: That's really it right there. When you say those two things. We always sympathize with them. "Yeah, I understand that a lot of parents feel that way when they first start. Remember, martial arts is designed, our program is structured to teach them how to stick with things. And because it's a fun activity, the kids want to stick with it anyway. It's not like it's something that's not fun." Kids like to have fun.

Stephen Oliver: By the way, then what can happen is I don't get confirmation that we made the close. Then what can happen is he says, "Well, we brought him in to this one month offer. I'd like to see him do the month." Or, she says, "I'm just not sure after one, two lessons or one lesson or three lessons that we've seen enough to be sure." What does that mean? They didn't buy my explanation.

Speaker 1: But I'm getting [crosstalk 01:44:14]. Fifty percent of the time they will buy your explanation. Maybe more. At least.

Stephen Oliver: Yeah, but if they didn't buy my explanation, that's when I can go to the cancellation. Now notice, she says, "I'm not sure we've just seen enough yet." What I'll always have is a little student ID card [inaudible 01:44:35]. I'll say, "Well, let me show you how the process works." I'll grab an ID card, and say, "See this? What Raymond will be doing is two classes a week. Really, what it is is we want 16 or more classes every two months. At the next test, and of course, this is August, so let's say this October 17th. On October 17th is our next school test. That's when he'll test for his gold belt. Twice a week, 16 or more classes. It can be more. We just want it to be an average of twice a week. At that point he's gonna test for and receive his gold belt. What if we get him going, get him the gold belt, and at that point, if you're not 100% sure he's gonna follow through, we'll just cancel everything at that point. How about that? 'Cause you said you wanted to see a month or you said whatever. That's actually a little more than double that amount of time. That gives you a little bit more breathing room to make that decision. How does that sound?" "Oh, well, that sounds fair."

And then usually that's fine. Then usually I now get the enrollment. Five percent of the time I end up there. So I add cancelable at the gold belt test upon receiving gold belt. Notice, I don't say cancel at any time between now and his gold belt. I say upon receiving his gold belt, 'cause any time between now and then, let's them not even get started. I want them to get started, do two or more times a week. I want them to get to that gold belt. The kid just got his gold belt. The parents have seen the progress and everything he did. They've seen the graduation, which is all the ways he's described. What's the likelihood of them not wanting to follow through?

Speaker 1: You really need them at that graduation. You don't want them to cancel. I guarantee, if they would've canceled before the graduation, they won't cancel after the graduation.

Stephen Oliver: Now, Joe.

Joe: Thoughts on with both parents present giving price range in the first intro.

Stephen Oliver: When it's me in a school doing it, I almost always do.

Speaker 1: You know how we know to do that or not? When I had multiple schools when I was running the 12 locations for Grand Master [inaudible 01:46:52], I had to give them permission to do it. I wouldn't give them permission until I saw a good show rate.

Stephen Oliver: To the second.

Speaker 1: A lot of times if you give them the numbers and they don't show back for the second, it means you didn't put enough value in the first intro to get them to come back. If you're giving them enough value in that first intro, I'll give them a

ballpark area, but I will also tell them that the normal initial investment is \$500. With the special we have running this week it's only 200 or it's only 300 or whatever you're doing. The monthly payment is normally 247. With the special we're running this week that crosses that out, it's only 227. If I'm charging 197, I'll say it's 227, cross that out, then it's 197. You follow me? The idea is that they see that there's a special to do it this week, so they're gonna want to come back in right away and do that.

Joe: You're doing both the initial tuition and-

Stephen Oliver: I could give you different language that softens it. That's like how at the most confident of the process. Hundred percent of everybody who comes to the first intro, showing up for the second. You know when they show up for the second they're enrolled, it's a done deal. One step softer than that is, "Now, next time Mr. and Mrs. Jones, we're gonna walk through all the details, do the evaluation on Joey, get his enrollment finalized. Tuition is going to average 197 to 247 a month. As I think I mentioned before, since he came in from Leewood Elementary, if you go ahead and finalize the enrollment next time, we give you a \$300 discount if we get started. Normally we'll do a couple months tuition initially." See, now I essentially told them the down payment. I told them the monthly. And I gave them the discount incentive. If it's a children's hospital flyer or some kind of fundraiser, I say it slightly differently. I'll say, "And next time we give you \$300 credit for having paid that already, that donation. If you go ahead and finalize it next time as opposed to waiting, you'll get that \$300 credit for having done that."

Joe: And the difference between one parent and both?

Stephen Oliver: What's that?

Joe: Say they have permission to give that price range in the first intro, is there a difference if there's one parent or both?

Stephen Oliver: I don't think much. It's better if both parents are there.

Speaker 1: Yeah. I would. I'd still do it. That's going to be based on their average, how they've been doing. If I have a lot of no shows for second, I'm gonna say leave that off.

Stephen Oliver: Because now what they're doing is they're scaring them with price.

Speaker 1: Because, remember, why do we like it? Some people do the one month as an intro. My answer to that is if you put enough value in the first lesson to close them, then close them. But if you try-

Stephen Oliver: If you have both parents for a child.

Joe: With this intro just before, [inaudible 01:50:03] said you should be ready to sign them up.

Stephen Oliver: Right.

Speaker 1: I would've closed them in the price range there. I would've closed them then because I wouldn't have known that both parents were going to be able to make the second. Again, it depends on what your numbers have been. That's why we like statistics.

Stephen Oliver: By the way, there's a big difference when I'm in a school doing it, he's in a school doing it, you're an owner, operator doing it. And now you have six, eight, 20 locations and you got to have the system. With multi's, with the system, is the system was your first to second intro ratio is close to 100%. We let you present a range at the first lesson and then close at the second lesson. If your range isn't near 100%, maybe it's at 60%, don't even be talking about that at the first lesson, 'cause they're already scaring them off.

Speaker 1: Just get the value as much as you can and then go through the numbers. [crosstalk 01:51:04]

Stephen Oliver: See what I'm saying is I can violate my own rule all day long, because I know I'm good. And he's good. But I can't be sure that Ricky, and they've had some close closing ratio problems. I can't be sure that Ricky and Allen are going to be able to be intuitive enough and get the close, so I wouldn't want them to try it then. Does that make sense?

Speaker 28: When both parents come for first intro [inaudible 01:51:37] and you're ready to close, but the words you [inaudible 01:51:40] you use, if you go in and close this week, not today.

Speaker 1: If I was going to close them on that first lesson-

Stephen Oliver: That's on that first lesson.

Speaker 1: ... say this week, if I was going to close them now, I'll say we're gonna go ahead and give you, because you came in from this or we know where they came from, because you came from that, if you want to go ahead and get registered today, we'll go ahead and give you that discount.

Stephen Oliver: And you see a little bit of slight differences in language.

Speaker 1: I'm telling you 99% of the time, I don't close them on the first. I will close them on the second. If I have both parents there, if I have the buying signals, I'll close them there. I won't let my staff do that unless they have good numbers.

Stephen Oliver: Notice the one slight difference in language. He's saying this week. I'm saying at the next lesson. That's one difference in language. Mine is a little bit more definitive. His gives him a little bit more of latitude, not that there's a right or wrong. It's just a little different.

Speaker 1: I'm assuming, let's say today's Wednesday, they're coming back on Friday or Saturday. That's this week. Not seven days, but this week. This could be Monday. If it's Monday and they're coming back on Thursday, well, it's gonna be this week, because they probably won't have a Third class. You know what I mean?

Stephen Oliver: Yeah, but what most people do is they default to the nondefinitive. They default to, because you came in for that we're going to give you the \$100 discount on the initial enrollment. When? Well, when you enroll. And then they're in the point of closing and I say, "As I mentioned before, we give you \$300 discount on that." They'll say, "Can I enroll next week and still have the same price?" "Okay." That just destroyed everything. What I want it to be is, "We'll give you a \$300 discount that you finalize in a week or next time." But then when I'm sitting down I'm in the conference and they say, "Well, can I still do that next week? Can I still enroll him next week?" "Well, sure. I just hate to see you pay another \$300 for waiting until next week." "What do you mean?" "Well, as I explained is we have the \$300 credit for having paid that for the charity if you enroll today. That doesn't extend."

Speaker 28: When you say if it would close by next class [inaudible 01:54:05], you would just say it only or do you actually give them a physical copy? Here's the [inaudible 01:54:11].

Stephen Oliver: I've never done the physical thing, but I like it.

Speaker 1: [crosstalk 01:54:16]

Stephen Oliver: Do you give them a certificate or something? [inaudible 01:54:19] used to do that.

Speaker 1: My first intro sheet on the back of it, the one that I give them to go home that says the three things to earn your white belt that I think I posted that on our member site before.

Stephen Oliver: Yeah, we preposted all that.

Speaker 1: I'll repost it. On the back of it, it goes over. I slide that one in there. It's one of the 10 things that I go through that just talks about some of the procedures that we do. And then it talks about when you come the next time we're gonna sit down and go over the program and the price and the class schedule and all of that. The tuition on our program normally ranges and then I'll say, "But we have a special one this week." I cross it out, and say, "It's this. The normal investment

is normally this. With the special we have running this week it's this." Now they know the next time they come, they can get that.

Speaker 28: You hand it to them on their way out with the price range and everything?

Speaker 1: That's when I'm rescheduling them. On the front of that sheet it has when their next class is. That's the first thing I do. Then I go down to how to earn their white belt. And then I have it says new student information. I'll say, "Now, if you'll go through this sheet with Johnny at home, it talks about some of our procedures. First paragraph talks about the bowing and why we do that. The second one talks about the yelling and the purpose for the yelling. The third one talks about not misusing their techniques. The fourth talks ... " See how we go down the line? And then the seventh one talks about the tuition and how you get started. We're going to be going over that when you come the next time. Just to give you an idea of the price and tuition averages. We do have a special right now. See how we slip that in there? Now they're prepared for that the next time they come.

Stephen Oliver: To be cognizant of our time, and I want everybody to really let all this sink in over lunch and make sure we get great clarity on everything. Do you have one more quick question?

Chris: No, it sounded like the price is written on the [inaudible 01:56:22].

Stephen Oliver: It can be. Again, keep in mind the distinction that both of us [crosstalk 01:56:27].

Speaker 1: When we break for lunch, Chris, I'll show you that sheet.

Stephen Oliver: We'll close. Keep in mind the distinction we're both making. If you're doing a two lesson process, I don't want to basically give them the price sheet and send them home to make a decision independently. If I give them a range or I give them a sense, so I'm not saying it's a 12-month contract ever. If I'm giving them money, I'm giving them ... I prefer to make it squishy, 197 to 247, rather than it's this. And then if I say to them, "It's gonna be typically to a couple of months initially to get started." I don't use the word down payment. I don't use the word monthly payment. I don't use the word sign up. I don't like any of those.

Speaker 29: Do you have any issue with registration versus an initial-

Stephen Oliver: Well, no, we'll get him enrolled next time. We'll get him registered next time. I don't say registration fee. We're just going to do 300 initially. Normally it's 600 initially. We'll give you a \$300 discount because you came-

Speaker 1: How many people do a down payment or a initial investment?

Stephen Oliver: Everybody here, nod if you are now. Don't just do first month and then monthly. We want to be doing something like five, \$600 initially and then the monthly payment. It solidifies the agreement. Number one, from a marketing standpoint is if everybody pays you \$600 down and you're spending money on advertising and it costs you 500 to get them, you have no concern about spending more money on it. Psychologically as a business if you can say to yourself it cost me \$600 on Facebook, which [inaudible 01:58:15] people around 200, but if it cost me \$600 on Facebook to get a lead and it cost me \$500 in direct mail to get an enrollment, not a lead. And then they pay \$500 down, if you know that you made money the day they enrolled or you were even the day they enrolled, then it desensitizes you worrying about spending money.

Speaker 1: When he says \$500 down, he's talking about the down payment-

Stephen Oliver: Plus the first monthly payment.

Speaker 30: Our kids program is priced with just one price, so there's not a range of it.

Stephen Oliver: No, it's not.

Speaker 30: No?

Stephen Oliver: No, you're not. You're wrong. Because the lower end of the range is if they paid in full for year and we give them a discount. The higher end of the range if they-

Speaker 1: We have three different payment plans.

Stephen Oliver: Well, yeah, but-

Speaker 1: I don't go over those.

Stephen Oliver: Don't get bogged into that. The 197 to 247 is, is 197 is you pay in full for the year and 247 is the monthly tuition.

Speaker 1: You don't get the discount for paying it in full?

Speaker 10: For the full year?

Speaker 30: For the year? Yeah.

Speaker 1: Well, that's what we just did. That's why there's a range.

Stephen Oliver: But all I'm gonna do next time is talk about the 247. Some of them are gonna come back and say, "Well, you said it could be 197 and 247." "Oh, sure. I'm sorry. What some parents prefer to do or what some people prefer to do is just pay for the year."

Speaker 30: Got it.

Stephen Oliver: And not pay it monthly.

Speaker 30: Got it.

Stephen Oliver: If you prefer to do that, there is a discount.

Speaker 1: And [crosstalk 01:59:42]

Stephen Oliver: That's where that came from. But I never want to give them a range with a lower end number that I can't come up with.

Speaker 30: Right, of course.

Stephen Oliver: Anyway, before we break for lunch, we'll go through more sales technique and stuff like that, but keep in mind is if you structure your thing so that the person who's asking for money has to know a whole bunch of sales techniques and they have to be going through handling objections and all that stuff, that means the process is messed up to begin with. The process should be long before you get to there, they're sold. You're not trying to verbally convince them. Through the process of what they see in the school and what happened on the classroom, they're saying to you in real words or nonverbally, "Yes, we're going to do it if I can afford it." That's it. If what you're going to tell me next I can afford, we're gonna do it. That's the point at which you want to start every conference. Before I go in to enrollment conference, you want them to be at exactly that point. If before I go into a renewal conference I want to be at that point. What so many of us do is we haven't gotten to that point yet. Now we're trying to talk them into something.

In our context, that's a very hard thing to do. He can do it. I could do it. I could walk down the street, find somebody who has a slight interest, walk in the lobby, and get money from them. I don't want to try to make that replicate. There really is no reason for any of us to try to be quote-unquote great sales people or to be a hard core closer. Does that make sense? They walk in and part of the language I'll use is do we want to go ahead and finalize Joey's enrollment, get him started, get everything done? Parent will say, "Well, you haven't told us how much it is yet." I'll say, "Well, assuming everything works fine for the budget, is this something that you want to go ahead and move forward with him?" What did I just do? Forget about money. Everything else, if it were free, is this something you would want to do? I wouldn't say that. Is this something you want to go ahead and move forward with?

Speaker 1: You saw the Elite when they did their intro. You saw how much they had the program sold before he even asked for the credit card. You saw the same thing with Ricky, even though he put it off to the next time. You saw how the benefits of the program, how they're buying into all. That's called buying into the

program. Not financially at this point, but emotionally. They see the benefits. Sometimes you have to find out what benefits they want. Don't assume what they want. That's what I liked about the Elite intro is he was right upfront. What do you want to get out of the program? Okay, great. Let me show you how we can do all that. Now at the end he said did you see how that would work? Oh, yeah, I see it now. Now, what's the only objection? He knows this is what he's looking for. He knows that your program delivers. Now it's just finalizing the budget.

Stephen Oliver: Before we break for lunch, let me give you a couple of real important principles. Principle number one is you don't make the sale by talking. Pretty much the more you talk, the more you're losing it. You make the sale by asking questions and truly listening to the answer. The hardest thing to get staff members to do is listen. Listen to what they're saying. Listen to what they're saying verbally. Listen to what they're saying nonverbally. Don't jump in and hit somebody over the head with price and contracts if they're not convinced they want to do it, if they're not excited, they're not motivated. Principle number one is you make sales by asking questions and clearly they can be leading questions. They can be self serving questions. They can be trial close questions. But you ask questions. You listen to the answer. And then you learn how to shut up. If I ask a question, and they haven't answered yet, I don't jump in and start talking again. If I got right down to the end and it's gonna be 300 initially, 247 for the first month, so we do 547 initially. How would you like to do that, Visa, MasterCard, Discover? What would work for you best? I'm not going to start talking again.

Speaker 1: That 30 seconds could sound like an eternity.

Stephen Oliver: Yeah. Some of the sales jargon is he who speaks first loses and stuff. I think that's crap, because we'd rather be in the mode of win-win. It's going to be better for our school to have them as a student. It's gonna be better for them to enroll. This use of money is a better use of money for them than any other alternative. If it's a lose-win, if they're gonna be a pain in the ass, then I shouldn't be enrolling them to begin with. A lot of times you don't know that at the enrollment. It takes to the renewal. By God's sake, don't let somebody give you \$20,000 up front for the renewal if they're an asshole just because you need the money. You never need the money that bad. Gotta discipline yourself. I don't need any money from them. But you ask the question, you got to learn how to shut up. That's one is the key is asking the right questions. Listening to the answers. Learning how to just shut your mouth and pause and to read the body language and know where they're at. Does that make sense? It's a very hard skill to teach.

We all want to go talk, talk, talk, talk, talk, talk, hoping we're gonna get to the point where we've bulldozed them into the sale. Even if, and it's possible to bulldoze somebody into a sale. What happens next?

Speaker 9: They're dissatisfied. They quit in a month or two.

Stephen Oliver: Often times they quit as soon as they walk through the door. They walk through the door and they go, "That asshole. I wish I could've not just got myself to do that." That's the ones they call you when they get home and say, "I don't know. I don't think this is for us. Can you give us the money back on that credit card?" "Well, no. I just called the credit card company." That's the ones that feel bulldozed. You don't want them to feel bulldozed. The first thing is make sure it's asking questions, listening to the answer.

The second thing is super important principle. Make sure it's always win-win. Don't enroll anybody that shouldn't be enrolling. Don't enroll anybody that you don't want. If you get the gut instinct this person is a problem, don't enroll them. Again, it's difficult to know at the enrollment. It's relatively easy at the renewal. I've had a couple of conversations with people last month or two where people had renewed blew up in their face. What's my first question always? Well, when you renewed them, did you know? What do you mean? Did you know you shouldn't have done it? Yeah. Expensive lesson. Don't do that anymore.

Speaker 9: How do you know?

Stephen Oliver: Well, they're an asshole. Do you have some people who are just assholes? They complain about everything. It don't matter what it is, if it's in their best interest or in your best interest, they don't like it. Do you have some people who are so anal retentive that if you didn't dot the I, cross the T, if you didn't give them the piece of paper they need within 32 seconds, they're annoyed, agitated? Do you have some people who are cancerous? Anytime something happens that's not exactly their way the mom sits down and starts yakking to all the other moms about how dissatisfied she is with the school? All of those have to go. There's not enough money in the world. If they're paying us \$25,000 a month ... It's like businesses who decide often times to do business with Walmart. Sometimes they know they got in bed with the devil that they shouldn't have done it. The principle there by the way is the ones who get in bed with Walmart and Walmart's 75% of their business. That means that Walmart owns them now. They shouldn't have done the deal to begin with. If it's 10% of their business, so what. Proctor & Gamble, no big deal.

Same with you. If they're nit picky about everything, or if they're crazy. Did you enroll people who are crazy? I'll tell you what the first indication of they're crazy is they become a rabid idol worshiper within the first three weeks. The one who's in your face and you just walk on water and you're the best thing ever. I can't believe how great you are. They need to go. No, I'm serious. Because they flip on you. That's not rational. What was the movie with Glenn Close? Fatal Attraction. That's the Fatal Attraction. You have the sliver at the top who are crazy, and you have the sliver at the bottom that are crazy, and then you have some that were just they weren't raised well. If they walk in the door and they irritate you, don't take money from them.

Speaker 1: I have a hard time with that one. I'll sign them up like that, and if they flip on me before the renewal, then I won't renew them.

Stephen Oliver: That's what I'm saying. I have very rarely screened somebody from enrollment. I really didn't give staff carte blanche to make that decision on enrollment. But I forced them to make it on renewal. Let's think about this. If it's somebody that they brought ... Again, healthy suggestions is valuable. Somebody who just nit picks and they're a pain in the ass, you don't want them around. You've got to make that decision. My rule of thumb was if this isn't somebody that I can see having for dinner at my house in four years as a black belt, secondary black belt, as a member of the family, if I wouldn't be proud to have them walk on stage and tie a black belt on them, I damn sure better not renew them. This relations gonna go downhill gradually or quickly or one thing or another. I ethically shouldn't take their money. I've never sat there and promoted somebody to first degree black belt that I felt bad about that, and I won't. That's also why we have the prep process. We can weed some of them out that we made a bad decision before we tie the black belt on them.

But if I tie the black belt on them, I better feel 100% comfortable about their character and their contribution. We all know intuitively. What we do is we get into sales mode and go, wow, they might be able to write me a check for \$20,000. You don't want their money that bad. Avoid crazy people and avoid assholes. It's a pretty simple rule. Crazy people and assholes.

Speaker 5: Would you do that by just they don't get a renewal application or ignoring?

Speaker 1: Nobody gets to [inaudible 02:11:37]. They have to qualify. You set the standard for the qualification. If they're an asshole, then they didn't meet the qualification.

Speaker 9: They don't get an application in the first place.

Stephen Oliver: I just won't have the conversation. I've had occasionally somebody who pushed the issue. We really wanted to be. I'll be completely honest with them. It just felt to me that you're not 100% happy with what we're doing. I'm sorry that we disappointed you, but I just don't feel that this has been a good fit so far. Every now and then they'll work really hard to sell you on it. Occasionally you'll get sold the other way. Usually when you get sold you regret it. Again, take it out of the dollars and cents. We're a martial arts school. We have to be a martial arts school. All of this thing about us making money, not only are we not selling out, we're getting good at marketing so we don't have to take people who aren't gonna be a good fit. We're getting good at a renewal process so we only take people who are really gonna be a black belt some day, who are really going to achieve. All this crap you see online are just broke people looking for a freaking excuse. We're doing the exact opposite.

We spent a week with Danny [Schulmann 02:12:52]. He's the roughest, toughest. Their curriculum, everything else. They're not in it for the money. They want to make money. He lives in a multimillion dollar house and everything else. If you make the wrong decision because they're gonna write you a check, which is why you never want to be in desperation mode, if they have to renew in order for you to make the rent this month, you make bad decisions.

Speaker 10: You decide that they're not quite [inaudible 02:13:19] black belt club, your leadership club. The year comes up, their contract's up. Do you just [crosstalk 02:13:24]?

Stephen Oliver: Have a great day. Yeah.

Speaker 10: Okay.

Stephen Oliver: And they usually drop out before that anyway. So, have a great day. I fired a bunch of people over the years. I never let my staff do that.

Speaker 10: Have you ever decided they don't qualify for black belt in the first year, but you renew them for just another basic?

Stephen Oliver: No.

Speaker 1: Even worse.

Stephen Oliver: Never ever ever.

Speaker 1: 'Cause they'll complain about the same thing.

Stephen Oliver: And the script is really easy. I want to say I'm just so sorry. It seems like we haven't lived up to your expectations. I really feel bad about that. What I wanted to let you know is we've canceled the billing. I have a list here of some of the local schools in the area. The one that I put a star at I felt might be a better fit for you. I know that the relationship we haven't quite lived up to your expectations. I was hoping that some of these other schools might do a better job for you. Almost without exception they go, "What?"

Speaker 13: Right. Kill them with kindness.

Stephen Oliver: Yeah. You're kick us out? No. I'm sorry that we've let you down so much. I wanted to not keep taking your money for a service that you're not happy with. I had some options for some other places you might fit in better. I usually star the one of the guy who's my biggest pain in the ass.

Speaker 1: [crosstalk 02:14:44] telling other parents how we're only interested in their money and they don't want to [crosstalk 02:14:52].

Stephen Oliver: This is why I also don't want other people's students. They're a pain in the ass. When they come to me I don't want to inherit their problem. I always send them back.

Speaker 21: I have a case. One in the previous, the leadership program. They're saying the fee is too high, but they want to be a black belt. It's a nice family. Real nice family. Nice kids. I want to sign them up, but it's been several months. Now it's a complete change I was going to the leadership [inaudible 02:15:21], but he's still there. The schedule is changing. How would you end it?

Stephen Oliver: Well-

Speaker 21: I don't want it to be [inaudible 02:15:32].

Speaker 1: Did you [crosstalk 02:15:38] him already? Then you just don't upgrade them. You don't want them.

Stephen Oliver: Let's come back to that after lunch. But what I will say is always hold the kids accountable for their parents. That was a very controversial thing for a lot of our staff to get. But he's such a great kid. I know, but mom's an asshole. Dad's an asshole. Well, do we have to hold the kid accountable for dad? Yes. The kids, I hold them 100% accountable for the parents. Sometimes I weep with the kids not here anymore, but I can't fix that. A couple of other principles.

Speaker 11: You said they're a good family?

Stephen Oliver: A good family, a good kid.

Speaker 11: And they can't afford it.

Speaker 21: He's actually high enough 'cause we just implemented [crosstalk 02:16:25].

Stephen Oliver: You could do some kind of scholarship. You could do a work study.

Speaker 1: If I have a good kid and a good family, but I know financially they're struggling, I don't mind giving a scholarship. [Mark's 02:16:36] scholarship is not just a free ride. There's whatever the discount I give them, I divide it over \$10 an hour, put them in our instructor certification program.

Stephen Oliver: Do a work study.

Speaker 1: Now I'm gonna pay that back by [crosstalk 02:16:51].

Stephen Oliver: I've had single moms who vacuum the school every night and do other things. I've had single moms who are stuffing envelopes for me for our mailings and stuff. Stuff like that, especially-

Speaker 1: I don't give them a full scholarship. It's a partial scholarship.

Stephen Oliver: I've also the kid has serious cerebral palsy, massive medical expenses. They're paying \$30 a month because it's a true need based thing. You've got to make those kind of decisions. I won't kick anybody out. If they're delightful, they're a delight to the spirit, I want to see the kid a black belt, the parents are helpful every turn. I'll try to work something out where they can contribute and help. I had one that was so good-

Speaker 1: Greg [Macy 02:17:31] just had that while I was at his school. He had four enrollments and an upgrade.

Stephen Oliver: I had one so good, Sally, that I had to sit Sally down and say, "Sally, I understand you're doing everything you can to possibly help the school. You brought us 22 referrals. That's great. I don't need anymore broke people in the school. Sally, the challenge is is everybody you're dragging down to the school also can't afford the tuition. If you really want to help me the most is only bring people who would likely be able to pay tuition." She was so good. She would come in and clean and stuff envelopes and do all this stuff, but she kept dragging all of her friends down. Broke people know broke people. Rich people know rich people and everything in between.

A couple of principles before we go to lunch. No more distractions. Asking questions, listen to the answer, learn how to shut up, dead air is fine. The more you talk the more you tend to move away from getting the sale.

Speaker 1: Win-win.

Stephen Oliver: I've got that written here. Win-win. Only enroll people who should enroll. Only enroll people that you want. Take money out of the equation. If they're an asshole, \$500 a month isn't gonna fix irritation of them coming in the school as an example. And if they pay in full, they're gonna get their house foreclosed on, that was not a win for them. Don't let your staff try to talk people into things they shouldn't do. Never ever. Always be 100% honest. Always be 100% ethical. Does that make sense? That's buried in there, but 100% honest, 100% ethical. The best possible way to be good at selling is be honest. I used to call it with our staff being mealy mouthed. All of a sudden they start talking and not being honest. Somebody asked them a straightforward question and they would go off and lead them to believe that it wasn't what they just said. All kinds of problems fall through that, not the least of which is you're an asshole liar. Not you, but I mean the ... Not Lynn. Lynn's a great ... Don't let a staff member ever be that way. Now there's a non-painful way and a painful way to answer many questions. That's different from leading them to believe something that's not true and being mealy mouthed. Does that make sense to everybody?

The next principle is what I talked about on conflict resolution here. Don't get into an argument with a prospect. You don't want to win the argument and lose

the sale. That technique I gave you a minute ago of being objective works in a sales situation as well. If you can mentally take yourself out of where it's not going well and put yourself objectively over here to view what's going on, often times it's why ... By the way, 95% of a staff member's problems in enrolling, 95% of yours would just be fixed if you videotaped everything and watched the video, because you catch all the stupid stuff you did. In the subjective moment you don't hear yourself. In the objective, watching it on video you catch it all. Does that make sense? It's a very, very good practice. I would have every room nowadays wired. It's \$40. Make sure you have good audio. Make sure you make every staff member watch the ones that went well, but most importantly, the ones that went poorly. Have them self diagnose before you critique them because now they won't be defensive. Does that make sense? That's the thing.

But when I was doing that silly conflict resolution I used a couple sales techniques. What were they? Feel, felt, found. You're an asshole. I understand how you feel. Other people have felt that. What they found was ... I'm just not sure he's gonna stick with it. I understand how you feel, Mrs. Jones. We've had a lot of other parents who felt that way initially. What they have found is the reality of this program is we fix that lack of dedication or that flakiness and follow through. Feel, felt, found. What is it? It's not me arguing with you. It's I understand how you feel. Others have felt that way. What they found is. See? I'm coming over on your side of the table. Does that make sense? You're an asshole. I understand how you feel. Lots of other people have felt that way.

Speaker 4: So what have they found?

Stephen Oliver: They were right. I don't think I'm an asshole. Is this making sense to everybody? Never get into an argument with a prospect. You want to deflect and move to their side of the table. Simple sales techniques like feel, felt, found is a wonderful way to do that. Also be constantly in the search for ways to take the perceived pressure off of them. We want to go home and think about it. Well, what do you want to go think about? We want to go home and think about it. Well, of course. It's important to consider the situation and make sure that Raymond's going to do really well with this. Just to clarify my thinking, the schedule works okay? His health is good? The schedule Tuesday, Thursday is gonna work? The tuition 247 a month is gonna work? You said that was fine. There's no pressure. I'm just thinking about what we thought about to understand what's going on. One puts pressure on, and it's like I'm trying to strong arm you. What are high pressure sales people? I keep talking and trying bulldoze you and pressure you into it. We don't want that. We want to be on their side. But then we want to help them think about it properly. Does that make sense to everybody?

Speaker 4: Yes, sir.

Stephen Oliver: Okay, good. We went a little long. No surprise there. An hour-and-a-half. Actually we went exactly as long as did yesterday, so 2:40.

Speaker 5: It's just Oliver time, sir.

Speaker 1: I was right on.

Speaker 5: It's just Oliver Moody time.

Stephen Oliver: It's the interaction. Two forty.

Speaker 5: [crosstalk 02:24:33]

Speaker 16: [crosstalk 02:24:34] conferences that we saw. I didn't see anything of a tour. Is there a tour? Is that something that you're not giving? Also, these were one-on-one. Is that the way you always recommend doing that?

Stephen Oliver: No. Finish the question. I'm sorry.

Speaker 16: Is that the way you always recommend doing it or is putting them into a classroom, is that another option?

Stephen Oliver: Well, let's take the one that Ricky did. Most commonly that would be a small group doing the first lesson. Scheduling them into a beginner class. But not just throwing them into beginner class. Making sure prepped ahead of time. Talked to them. Holding their hand. Making sure they don't just get lost in the beginner class. And then pulling them out and doing the evaluation and the enrollment. What Elite MMA was doing was a one intro enrollment. That's difficult to do in group. Where the difficulty comes in that format is I just went to whatever, Allen. What do you have guys going on right now?

Allen: Westy Fest right now.

Stephen Oliver: Westy Fest. It's a ... I don't know. What the hell is it?

Allen: Westminster Festival. They call it Westy Fest. I know you don't like the word Westy.

Speaker 30: It's just a festival at the rec center.

Stephen Oliver: What?

Speaker 30: A community festival at the rec center.

Stephen Oliver: It community festival that's [inaudible 02:26:12]. Fine. But they're making a bunch of appointments as we speak. When you have something like that it's in practical terms impossible to schedule 100 appointments one-on-one. In practical terms, also, it's foolhardy because the show rate isn't great. If I were to schedule 100 one-on-one personal appointments where I blocked out 45 minutes each time and half of them no show and another half reschedule, I end

up where I blew my 2/3rd or three quarters of my slots in the schedule for that. If you take what the Elite guy showed us up here, I wouldn't do that format if they were gonna do 50 intros in three days. What I would do is I would schedule small groups and then I would schedule a follow up and perhaps do the follow up privately. Or the follow up could be in a class that was designed to be the beginner class for them to do and then do the enrollment then. To finish the thought is my personal preference is a one intro enrollment if it's an adult. But if I have a pipeline that's too hammered, that's difficult. My personal preference for kids is a two intro process. The reason that I treat those differently is typically the adult, they're the decision maker for themselves. Sometimes you find out that wife needs husband, husband needs wife. They want to do it together. By asking the right questions you figure that out.

In the case that they role played, you didn't need to ask anybody but the dog. So you're fine.

Marty: We have a packed classroom. We've got as many students on the floor as we can possibly handle. All the seats are filled with parents of our existing students. Now new families come into the room and there is no way that I can talk to those families one-on-one and find out what is that you want for your child, self discipline, self control, et cetera, et cetera. There's no way to have that conversation with the parent ahead of time. At least I don't see it that way.

Stephen Oliver: I've had an intro with 50 people all at one time and had that conversation.

Marty: Individually with each parent? Yeah? Okay.

Stephen Oliver: Not that it's easy. It was the information sheet on a clipboard. They're sitting on the bench and I'm kneeling down. They're leaning over to hear me. Somebody else is teaching class. I've had that conversation with big groups of people before. In practical terms a lot of people schedule plan their class schedule and then they try to fit their enrollment and renewal process into the class schedule. I've always done it the other way. I'm planning the schedule so I have plenty of slot to do enrollments, plenty of slots to do renewals. And then I'm massaging the schedule to have everything else. Especially, this isn't you, but in a startup, I'll see people start a new school and they have a complete fill of class schedules as if the school has been there for three years. That's the dumbest thing in the world. You want to have first intro times. You want to have second intro times. You want to have beginner classes. That's it. Hopefully first month you have 100, 150, 200 beginners, so you better have a whole bunch of beginner classes. That make sense? Greg?

Speaker 4: That was ... Greg or me?

Stephen Oliver: Yeah, Greg.

Greg: That was one of the things you recommended when we did that startup is now we have the important of the class placement with the intro and where you want them bumping up against.

Stephen Oliver: Oh, absolutely.

Greg: You look through the door and you want them in the coming before or after the right class not the weapon self defense with the knives around.

Speaker 4: Sparring classes.

Greg: [crosstalk 02:30:34] each other up. That's important, too.

Stephen Oliver: That's exactly right. Does that help a little more? It may take reevaluating the class schedule to make sure that it supports the business needs. And if you need more of those classes so they're not quite as much of a zoo when you're bringing people in. You might book more of those classes so you can spread it out more.

Speaker 4: I was just gonna say it took us a while to get the schedule down the way it could, but once you get it down, less man power is needed. You can have everybody right where they need to be. The people that are walking in are seeing the right things that you want them to see as they come in. It's just a lot more manageable. But it took me a long time to get it right until Grand Master Smith came down.

Stephen Oliver: This isn't a sales conversation.

Speaker 4: Well, no, for intros.

Stephen Oliver: What I was gonna say is every aspect of the school what happens in all businesses, doesn't matter whether it's AT&T that's been around forever or whether it's a startup, is you tend to layer things on, layer things on, and layer things on, and then you end up with a mess that on a clean sheet of paper didn't make any sense. You always want to go back to the blank legal pad and say if I was designing this from scratch, what would it look like? In simplest terms it's keep students as long as possible, have as little brain damage as possible, and make as much money as possible. To keep them as long as possible embedded in that is have them be happy, have them get the benefits they want, all of that stuff. Keep them as long as you can. Make as much money as you can. And have as little brain damage as possible. What we have a tendency to all do is layer on a system upon system upon system that then makes life more and more and more complicated. Uncomplicated is good. Complicated is bad. Overcomplicated, things fall apart.

You look at most big companies and they have all kinds of reports and systems and data that they're entering. Nobody ever looks at. Nobody cares. This guy's

generating a report to give to this guy. He doesn't know why he's getting the report. Never looks at them. That's just common in all organizations. Even something as small as a martial arts school. You want to take a look at ... When I used to do turnarounds, first thing I would do is throw away everything in the file cabinet. I'd throw away the file cabinet. People who are failing tend to be good at making files, filing things, organizing things. They spend all day organizing shit. They're putting things in files. Making sure the test papers are in the right place. You know where I got it from was [Ned Mofley 02:33:32]. Ned Mofley used to go in and they'd do a turnaround with a [Juneree 02:33:35] school. Jeff and Ned were ... He was the primary turnaround guy for Juneree. Then Ned was the secondary guy. First thing they would do was go in and throw away everything. Why do they have this? Out. My system for filing student contracts was chronologically. Anyone know what I mean by that?

Speaker 4: You put it down on the stack?

Stephen Oliver: And next one goes on top of the stack. What are the odds I ever need to look at it again? If I need to look at the one from April, it's right about there. Good enough. You're much better off to make sure all your time is on marketing and sales and service. You've got to very clearly define all that stuff to make sure enrollment, service, retention, renewal, all that stuff happens. The one problem with putting people in the beginner class, by the way, is in the intro you end up putting everybody who needs to be renewed together with everybody who needs to be enrolled and often times you make bad choices on who you need to talk to when and stuff. That make sense? Not as they're bad choices. You just have to choose. Questions on everything that we've done so far this morning? Marty, did I answer both of your questions? Or was that one?

Marty: It brought up more, but that was one.

Stephen Oliver: Go ahead.

Marty: Well, as far as the scheduling thing. What we have is a leadership class. It's Monday, Wednesday, 5:00 to 6:00. And then we have a trial enrollment class from six to 6:30 and another trial enrollment from 6:30 to seven. And then on Tuesday and Thursday we have a trial enrollment at 4:30 to five and then from five to 5:30. And then we go to the leadership classes after that.

Stephen Oliver: I don't have all that etched permanently in my memory, but if I heard it correctly it sounds like you don't have any mid or later evening beginner classes.

Marty: Monday and Wednesday six to 6:30 and 6:30 to seven.

Stephen Oliver: Okay, well, there you go. So I missed that. I saw somebody's schedule. Oh, [Nick 02:35:38]. I don't need to pick on you too badly, Nick. Again, we're gonna go back to sales. All of this stuff we'll accomplish in [Breckenridge 02:35:48], by the way. In scheduling, the thing that went through the industry as four to five year

old class, the six to seven year old class, then the eight to nine year old class and all that stuff. I've seen some fairly smart people who like it. I hate it. What I like is I like to have family classes and adult classes, period, but then by rank. So then you have a beginner or basic class, and they have to be renewed to move out of that class. In our case that basic class is four months assuming they renewed, and then they move into level one, which is black belt club leadership, and then level two, level three. I think the way Bill Clark does it is they move into the leadership class and it's a rotating curriculum for three years. I subsetting it more, so we basically have leadership black belt year one, leadership black belt year two, leadership black belt year three to black belt, and then black belt classes.

I always try to schedule a couple of earlier times for kids, anybody. That was one of the things I told you, Nick, is kids, if I looked around one of our locations in the school districts around here are probably 3:15 or 3:45 is when the kids get out. The reason it's that is they alternate for bus schedules. They have a 3:15 exit time. The buses run. They're back in time to pick up the kids at 3:45. The buses run. They do it that way. So if I know that in my area, whatever it might be, I'm not gonna start a class until 4:00. But then what I'm gonna know is I'm gonna know that some of them are picking the kid up from school and then come to the karate school. Others are kids going to after school care. La Petite's picking them up. Somebody's picking them up. They're still at work until five, 5:30, whatever. They go pick the kid up from day care, and then they come to karate class. Nick, on yours, I can't have all the classes be four, 4:30. I gotta have 4, 4:30, and then I've got to have six. That would mean maybe Monday, Wednesday a six, Tuesday, Thursday at 4:30 or four. [inaudible 02:38:05] that works, because I catch both ends of the spectrum.

I see a lot of schools, too, that still have Tuesday, Thursday a beginner class at 11AM, Tuesday, Thursday an intermediate class at noon. To me, I wiped out every class before 3:30 or 4:00 and everything during the day is marketing. If you don't have something productive to do with marketing, as long as the phone is being answered, go to a movie or something or go work out. People will say, "Well, I have some students who can only come ... " Well, it's not worth the three people. Frankly, usually those have given no other choice. Again, maybe that's part of my nightmares of Alexandria sitting there waiting for Miles [Wilken 02:38:51] to show up. I've never seen it be productive, even during the summer. I was saying a lot of schools are all of a sudden, well, we have day classes now. Why? Well, the kids are out of school during the summer. Well, so why are you going to have day classes? Well, so they can come during the day. Well, can't they come at night? Well, yeah, but they can come during the day. Shouldn't you be marketing during the day? You really need to not have the marketing slots because they can come during the day? It makes no sense.

Again, almost all of the marketing effort we can do, short of buying ads is going to be during the day. In the summer, it's where? It's daycares, and it's events, and it's Westy Fairs and it's whatever the hell else it's gonna be. You don't want to start ... You don't want to clean the school during the day. You don't want to

do filing during the day or ever. You don't want to be sitting there waiting for a day class during the day. You want to be out of the facility, out talking to human beings, preferably with leverage. That make sense? Other questions? Go ahead.

Speaker 33: Going back to what you said about the adult intro. You do one. Is that to serve better close rate, or is it just less time?

Stephen Oliver: I have no good data on whether it's better close rate with one lesson or two. I did about half a year in fitness center sales. That was your other question, by the way, if we tour. You walk them in, do a tour, tell them about everything, and then you sign them up. You know if you let them go out the door they weren't gonna come back. The fitness clientele is the flakiest. Every time martial artists try to move into fitness they say, "Why are moving the wrong damn direction?" If you want to add 20,000 a month we have a system that you can do that by charging them 1,000 a month, not going into the 49 a month flaky crowd. I don't have any good data on that. I think the best answer to it is you enroll them when they're ready, and you enroll them when all the decision makers are there. With adults usually they're ready after having a good experience taking a class. You could also argue, but I'm not sure it's valid. You could also argue that it's better for them to see or experience a beginner class in a process of enrolling. I don't know if that would help the ratios or hurt the ratios. Have you experimented with that back and forth?

Speaker 34: Yes, sir, a little bit.

Stephen Oliver: Do you have enough data to know one way or the other?

Speaker 34: Actually now I'm leaning toward [inaudible 02:41:41] coming in and [inaudible 02:41:42] to make sure that [inaudible 02:41:47]. I explain the benefits, introduce them to all the different classes. You can come in and feel comfortable [inaudible 02:41:57].

Stephen Oliver: As long as you don't make that their first experience, because it's too intimidating. I'm an adult human being and all of a sudden there's 30 other people with this funny uniforms and I don't know what to do. I still would prefer, whether it's 10 of them, five of them, or one of them, I come in and everybody else is as nervous and klutzy as I am. Then you can do that after I'm prepped. That'd be the only caveat. I will try to not call you out. Keith.

Keith: Just want to make sure the second intro process is set. They come in a few minutes before a regular class, get them prepared, experience a regular class, enrollment conference after that class.

Stephen Oliver: Right. In fact, that's something I meant to do before we broke for lunch. Of course, as usual 23 tangents. Let me graphically illustrate this. This was my training format for our staff. It still is. Here's the process. Let's say they call you, ideally. You go from an info call to they make an appointment for a specific

time. They make an appointment to come in for a first lesson. They come back for a second lesson. They enroll. So far so good. But for my training purposes, what do I have to train on? Well, I have to train on how to handle an inbound phone call. I have to train on how to handle an inbound walk in. They stumbled in the door. I have to train on how to do an outbound call, lead call, whatever. I've got one layer of training right there that really has a minimum of three iterations. Then you can add the kid version, the adult version. And then I have to train on how to do the confirmation process. Nowadays that would be schedule once is gonna email them multiple times, text them multiple times. I'm going to do a phone call the night before. I'm going to do a phone call the day of. But also when I do the phone call, what's the script? 'Cause if you don't tell somebody the script, what do they do?

"Hi, Miss Jones, are you guys still going to be in tonight with Joey? Great." That's the call. But what is the script? "Hi, is this Miss Jones? Fantastic. Stephen Oliver, Mile High Karate. We met Saturday at the movie theater. I just wanted to confirm that the time tonight for Joey is still good for you. Fantastic. Is it possible for you and his dad to both make it down tonight 'cause we'd love to have both parents involved." I'm gonna get an answer first. "By the way, both of you wear something loose and comfortable. You guys can take the class with him. Fantastic. Now, do you know how to find us?" I don't care what they say. I'm gonna tell them how to find us. "Do you know how to find us?" "Yes, you're right at da, da, da." "That's right. And you're coming from [inaudible 02:45:25], so make sure you come south down Kipling. Get to Kipling, take a left and then take a left into where there's a Conoco and then we're right there in the middle. Fantastic." That location we used to have a school. Our school is at Kipling and Jewel. There's another school at Kipling and Jewell.

There's Old Kipling and New Kipling and Jewell. Every now and then if I didn't get them to say what I just said, they'd go to the other place. And then we'd call them and the other place was horrible. It was almost always, "We were there, but I'm not sure this is what we want." That would be what happened. I got to have the script. What I've done so far is parents gonna be there. You are gonna be here. You know how to find us, right? What do I do next? What to expect. Now, when you come in I'm gonna be right at the front door. Ask for me when you come in if I'm not right there. We're gonna take a couple minutes and get oriented. I've got a uniform set aside for Joey. I've got one set aside for you and dad, too. We'll go ahead and we'll argue about where to put the uniform later. We'll go ahead and get in uniform. There's gonna be a beginner class going on. He'll get a chance to see that a little bit, and then we're working with him with two or three other kids and two or three other sets of parents at the same time. If I didn't say it, I'm gonna tell them come 10 or 15 minutes early. The appointment is at 6:15, but if you could be about six, 6:05, that's probably a little better. That make sense? You got it?

I've got to train them on the confirmation script. And then train them about how to handle the reschedule process and when to do it. And then I've got to train on the greeting process. 'Cause if they're not trained on the greeting, what

do they do? Slap a piece of paper in front of them and, "Here. Fill this out. We'll be in there. See you in 10 minutes." With a smile on their face. Is that what I want to accomplish? No. What I want to accomplish is, "Hi, you must be Joey. Fantastic. I'm Master Oliver. Good to have you here. You must be Mr. and Mrs. Jones. Good to meet you." What am I training them on first? Talk to the kid first. No such thing as a parent mad 'cause you talk to their kid first. But there such a thing as the kid being intimidated because nobody's acknowledged them. When I talked to the kid did I do it like this?

Speaker 4: No, sir.

Stephen Oliver: No, I got down at his level so I'm not intimidating. Is it important to train people on that? Absolutely. When I'm doing the greeting I'm training them on greet them by name within three foot of the door. How do you know what their name is? Let's look at the appointments. I have a seven-year-old girl. I've got a seven-year-old girl but also with her five-year-old brother. I can get a pretty good idea. If I have 20 of them it gets more and more difficult. If I wasn't the one that was out there making the appointment it's even more difficult. I've got to train the people at the booth to make some notes for me, so I know if I have one Hispanic family and I have one white family, I might be able to differentiate them on the front, although maybe, maybe not. I give them cues to help them figure that out. Does that make sense?

I've got train on the greeting. Then I've got to train on the actual what the class is like. But I've also got to train on what the reschedule process is. That's a complete different thing. I've got the script of what the class is like, but I've also got the script of now, between now and next time be sure to go over this. Talk to the family about your level of interest. Make sure that Joey memorizes the student creed. We'll do what breaks down a minute ago a little test for his white belt on the student creed and the basics that we taught today. We do recommend you both take a class with him again next time. It will help make him feel a bit more comfortable. Next time we're gonna do a thorough evaluation. We require both parents to be here or anybody involved with transportation, finances, and so forth. Talk with the family. We'll sit down, finalize enrollment, and finalize his program next time.

I've got to train on this to the point that they all have the schedule. I have a little sheet, so I'm always going talk about this, talk about this, look at this, talk about this next time. Does that make sense? But then what do I have to train on? What's the confirmation call look like? What do I want to accomplish on a confirmation call? Well, one is they're gonna show up or not. I hope that I'm gonna get them to show up. What else is important?

Speaker 4: Both decision makers [crosstalk 02:50:23].

Stephen Oliver: Mom and dad, anybody else is gonna be there. Parents are gonna be there. What else is important? They're gonna bring their wallet. What else is important? That they discussed, talked about, reviewed, read the stuff. And

then for a kid, did he have fun? Did he enjoy last class? The call is gonna go something like this. Ring, ring. "Hello?" "Hi, is this Mrs. Jones? Fantastic. Stephen Oliver. Mile High Karate." And of course I'm gonna be a little bit more conversational. I'm doing it quickly. "Just wanted to confirm that Joey's gonna still be in tonight at 6:15. Is that still a good time for you and his dad?" Now I get one of three answers. Answer number one is yes, we will be there. That's a good answer. Answer number two is, yeah, his dad's gonna bring him. What did she just tell me? I said is that a good time for you and his dad to bring him down and she said, no, I'm not gonna be there. Dad's bringing him down. She didn't even realize she said that. Or she says, yeah, I'm gonna be bringing him down. What did she just say?

Speaker 4: Dad's not coming.

Stephen Oliver: Dad ain't gonna be there. I've got to learn how to listen. If she says, yeah, dad's gonna bring him down. I say, "Oh, are you both gonna be able to be here?" She says, "No, I got called into work." Fantastic. "I'm sorry you have to work, but I'll tell you what. I know dad wasn't here last time. That will give him a great chance to see what's going on. We'll schedule that evaluation and all of the other things we were talking about for the next class. Is tomorrow night or Thursday gonna be better for you to both make it down?" "Well, I know we could do Thursday." "Okay, let's put down for Thursday. We'll look forward to seeing Joey and his dad tonight. Did you prep dad to take class tonight?" "Good luck getting him on the floor." "Okay. We'll see." Typical conversation. "I will have them down tonight. We'll give dad some more information about the program. We'll get everything going and sit down and go over the evaluation and everything on Thursday." What did I do? I eliminated some conversation about it tonight, but I also have a firm appointment for when we're gonna do the enrollment. That make sense? Have they talked about it, reviewed?

"Miss Jones, all that information, I know dad wasn't here before. Have you had a chance to go through that with him? Has Joey had a chance to show him some of what he learned? Have you guys had a chance to go through the information? By the way, we're going to test Joey for his white belt tonight. Has he had a chance to memorize the student creed and practice what he learned a little bit?" "Well, no, he hasn't." "Well, okay. Why don't you take a little bit of time and work through that. It's not all that complicated, but if he can get that down a little bit better between now and that class, we can still test him for white belt. If not, we can wait until you can come down with him as well." You see how the flow of the conversation goes? That make sense? Then I have the second class.

Speaker 37: Can I ask a question?

Stephen Oliver: Yeah.

Speaker 37: I'm in California. California is a lot more laid back than a lot of areas of the country. We-

Stephen Oliver: Than British Columbia?

Speaker 37: As far as addressing people by their last names. When I was teaching at Santa Rose Junior College you called the president by his first name. You didn't say Mr. so and so, whatever. I suppose erring on the side of being overly formal would probably be better than to be too casual, but what's your toss on that?

Stephen Oliver: I always feel like an egomaniac if I expect them to call me Master Oliver, Mr. Oliver, and I expect to call mom Sue.

Speaker 37: Yeah, I agree.

Stephen Oliver: Therefore, I establish what the formality level is that way. I try not to ever correct a parent and try not to become the egomaniac because they don't understand the culture yet. But at the same time, I'm gonna call her Mrs. Smith. I usually introduce myself by full name. I won't say this is Master Oliver. I'll say this is Stephen Oliver. I was looking for the class tonight to set the class. But then when the child comes in, I'll introduce myself as Master Oliver to set the tone and expectation. And then we'll train them on how that works in the school. Does that answer the question?

Speaker 37: Yeah, so you address the parent by the last name.

Stephen Oliver: Right.

Speaker 37: All the time.

Stephen Oliver: Right. Better to err in more formal. If they go, "I really wish you'd call me Sally." Okay. That's fine. But if then they say to the kid, "Here, this is Steve."

Speaker 37: Then you got to correct them.

Stephen Oliver: Right. I've had that. Boulder, Colorado is like that. People's republic of Boulder. It's Marin County in Boulder are roughly comparable. We have lots of propeller heads. Jason would feel right at home. A lot of them would be that way. They want their four-year-old to address the instructor by their first name. We want to make sure we have the right level of formality.

Coming back over here. I need to train on the confirmation call. But again, I need to train on the greeting. Now what do I want the greeting to be before the second class? Well, all the way along, but what I'm doing is in sales parlance, trial closes or prequalification or preframing. But all the way along I'm really doing a series of little dripping on them trial closes, prequalification closes. On the way in the door, using the example I just gave, I'm gonna basically tell the dad next time you both have to be here. We already scheduled it for Thursday. Between now and then I'm gonna be like at the first lesson, but I'm gonna basically tell him we're not gonna sit down and talk about price tonight. We're

gonna do that with your wife, with mom on Thursday. And then make sure that's under control.

And of course, nowadays, for kids, I sat down, went through the whole enrollment conference with husband and wife with the kid before I realized that he wasn't the dad. I've been through enrollment conferences where I had husband, wife, mom, lesbian lover, and I had to have all of them in the conversation, and these two had a restraining order. So I had to have a conversation with them, and then I had to go back and have a conversation with them. I've actually had one in two offices and I floated back and forth between them because they couldn't be in the same room at the same time. Still, you're getting all the decision makers.

On the greeting, what do I want? "Hey, Joey, did you have a good time last time? Have you had a chance to memorize the student creed? Did you practice the things that we worked on? Fantastic." Talk at the kid's level. "Mr. Jones, did Joey's mom and Joey have a chance to go through all the information with you between last time? Did you get this packet of information?" I'll show him what I gave them last time. "Did you get a chance to look through that?" "Oh, no, I've never seen that before." Which is the typical answer. "Fantastic. Let me give you another copy. We can go through it a little bit. Excellent. We're gonna get started in about five minutes. This class is ... " And the answer shouldn't be this is black belt doing full contact sparring or this is some whack job spinning knives on the floor. "This is one of our beginners classes," or, "This is an intermediate class. The kids in this class have been here for an average of 12 to 20 months." Explaining what's going on. "We're gonna get started in about 10 minutes as soon as they finish up."

Now, what's the instructor going to be instructed to do? They're gonna come over, bring all the kids to dad to do the character development lessons. They're gonna do recognition. They're gonna give stripes. But they're gonna sit down and have mat chats. They're gonna do all that right there in front of the parents, preferably right in front of my intros so that they're practically talking to the dad. Go ahead.

Speaker 38: One thing that we use to cue that process that you're talking about that works really well is we say to the class when the instructor is in there with the first and they recognize the second they come in the door. They have the class call to attention or whatever, and then they say, "Hey. Just want to introduce one of our new students." So you're assuming the close. You're saying this is one of our new students. Want to make sure you guys all know that after your class they're gonna be in the [inaudible 02:59:49] class, if you guys want to help out or if you just want to introduce them. Remember he's a new student, so he might be a little bit intimidated. You say it in a nice way. You basically, "Everybody welcome so and so." And then they already feel like they're part of it. And then sit down and stuff like that, but then that's the instructor's cue of new student is there.

Stephen Oliver: Everybody write that down. Very important distinction.

Speaker 38: It's mat chat time. They bring him over and they do the mat chat in front of him.

Stephen Oliver: Be very careful about when you bring them in. There are things that all the other black belts see happening in the school that they think is cool that some new soccer mom walking in with her seven-year-old daughter is immediately repelled by. Worst I ever seen was the knife example. I walked into a school. With one of our schools, here's some guy in the back with live blades doing stuff. I walked in to our instructor going, "What the hell is that?" It was some martial arts guy who's traveling and asked if he could come in you use the space for a little bit. He seemed like a nice guy. He let him. I was, "Are you crazy? I want him out in 3.2 seconds." "I don't want to offend him." "Offend him. Don't offend him. Be nice. Push him out the back door. There's intros coming in. I don't care." You got to be careful about that. You got to be careful about your curriculum, too.

I remember having a conversation with Tim [Cohar 03:01:19]. He had said to me one time, he goes, "I've really lost interest in continuing to train in martial arts." I said, "Why?" He goes, "Well, all our third degree curriculum is nice." Just the idea of visualizing him cutting somebody's cerebral cortex and slashing their throat with a knife is so completely contrary to my own personal beliefs about life is every time I do it, I feel bad. This blackness comes over me. This is the guy who owns the school talking about the crap his brother was having to teach. You got to be really careful about how and what you implement and how you present it. It's why I like sticks 'cause you're teaching them how to do knife defense and knife training without ever having a knife. Is this making sense?

Speaker 38: Yes, sir.

Stephen Oliver: The greeting, mostly I'm trying to make sure the kid is thrilled, they reviewed the information, they are excited about moving forward. One prequalification question is how's your schedule. When the class is over, you okay for 10 or 15 minutes? We'll sit down, go through the evaluation. If I don't ask that question, what happens? Class is over. They have three minutes. Why do they have three minutes? Church youth group is starting. Soccer league is starting. They've got a dinner engagement they have to go through. If I don't ask that question. If they have three minutes at the end of class, can I still get the enrollment? Sure. I go grab them 15 minutes before class is up, and then I go sit down and do the enrollment. Now, if I'm having a triage, if I have five intros in class, how do I prioritize? Whoever came in practically credit card between their teeth begging to give it to me. It's a crude visual.

I actually had a paid-in-full leadership one time. I was doing an enrollment conference. Dad with his platinum card was tinkering it on the glass to get my attention so he could give me \$20,000. It's a wonderful memory. Oh, just a second. What did you want to do? Okay, fantastic. Half a second. Sign. I want to know that they're ready to enroll, and I want to know about time, especially if I'm running late. But even if I only had one, what I might've done is they go through class, pull them out after class, and I just start the conversation. They

say, "Oh, we're gonna have to run." Well, I'm dead in the water. I want to know that, but I also want to prequalify about you're gonna pay us money today. I usually don't say it, "Mrs. Jones, did you want to give us money today?" See that's not the script. But what I'll say is, "Well, we wanted to sit down, do the evaluation, go over all the details, and finalize Joey's enrollment. Did you want to go ahead and get enrolled today and do the deposit and get him started on everything today?" What do they say?

Speaker 38: Yes.

Stephen Oliver: Well, sometimes they say, "Well, we're not sure. We don't even know how much it is." Well, assuming that it works okay for the budget, is this something you really want to do and get him started with it? "Yes." Good. Assuming it works okay for the budget, is this something you want to get him started with? "Well, we really can't enroll him today. We don't get paid until the 15th. We can do it then." Now that's good to know. Because what could I do? I could just schedule the third lesson on the 15th, 16th, do it then, now I don't have that impediment. By the way, when I say they're enrolled, I mean they pay, they sign the agreement, they know they're enrolled, they're scheduled for the next class, all that stuff. Enrolled isn't we had a good, warm conversation, we have warm feelings about each other, and they told me they'd come back in a week or two and bring a check. That's not enrolled.

Can you tell I had a big staff? What happened tonight? I did three enrollments. Well, you should have \$1800. Oh, no, they're gonna be back on Thursday. Which one's enrolled? They're gonna come back and pay on Thursday. Which one? All of them. So you had zero enrollments. Well, they're all good to go. So he has three intros that you didn't close yet. How far along did you get? Oh, we went through everything. They said, "Yeah, that sounds good. We'll come back." Now what happens?

Speaker 38: They don't come back.

Stephen Oliver: Almost never do they come back.

Jason: I had a question about when you're doing the enrollments. What I've been doing is during their first full class. I do a private lesson first. Even for my private lesson, I do the first 15 minutes with the parents there doing the kicks and the blocks and all that stuff. Then I have one of my instructors do an obstacle course with the kid while I bring the parents to the back room and talk to them about the program and all that stuff. So I haven't had the kids come in. Then I'm doing the enrollment during the first class, usually halfway through the class, so I can talk to the parents. The kid starts rolling around or being distracted. Would you recommend ... It's been working well for me, but is there a reason I should have the kid there?

Stephen Oliver: Yeah. I vastly prefer having the child in there. Every now and then it gets hairy. I had one where I had the six-year-old in the office and it was an office that wasn't particularly well ventilated anyway. We had the two-and-a-half-year-old little sister or little brother who had just shit his diapers. That's permeating the office. And then I have the two-and-a-half-year-old that's just grabbed the stapler and is stapling to the desk. I'm pretty good at blocking out all distractions until the sale is closed, but that was pushing my limits pretty heavily.

Jason: Is this all one scenario?

Stephen Oliver: That was one scenario.

Speaker 41: Really? All of that at what once? Dang.

Jason: The reason why I've been doing this is also-

Stephen Oliver: It gets worse. My favorite one, if you heard, Charlie?

Speaker 41: No.

Stephen Oliver: Oh. That's my favorite one. I was working at the Alexander Branch of the Juneree Institute. It had this big fish bowl office where there's a hallway and there's windows across here, windows across there, then there's a classroom. Juneree had, which inappropriately in my view, had set up very elaborate ... These were million dollar schools 70s. Today's dollars. But glass windows with chairs on the other side of the glass. I had fixed it by moving the chairs in and there's tables and so forth. I had an enrollment conference and I remember it vividly. Very well [quaffed 03:08:17], upscale mom with a kid. I think dad had died or something. There wasn't a dad in the room at the time. Eight-ish-year-old boy. I had talked Jeff into letting me spend the money to put mini-blinds on the windows, 'cause what would happen, every time I was in a conference people are knocking on the windows wanting things. You had to walk by the office to get in the classroom. So I had talked him into letting me spend the money and put mini-blinds on the windows so I could have a conversation without people ...

I had mini-blinds on this side and this side that were open. She's facing me. The windows are here. The windows are here. I look up and there's this bum. Not to be politically incorrect, but somebody who lived on the street with an overgrown beard with stuff in the beard dressed in the same clothes he's worn for 28 years mumbling to himself probably schizophrenic with a rust pitchfork over his shoulder. I'm not exaggerating or embellishing any of this story. He's stumbling in. The hallway goes like this. He's stumbling in and my instructor at the time was Charlie Lee. Now I was a junior at Georgetown. He was a junior in high school. I very nonchalantly close the mini-blinds and went, ah, Charlie can deal with it. Close the enrollment. Got the check, got the [bank 03:09:56]

signed, got everything. Luckily my office had a door there into the classroom, a door there into the exit. So I walked them to this way out the door just in time to walk into an advanced class of about 30 people with Charlie in the middle. Charlie is diminutive anyway, but back then he was that big. Charlie's aghast at what's going on. I've got this guy mumbling in the middle of the floor peeing himself, mumbling incomprehensible things in the middle of the floor. I looked at him. Said, "Your classroom, Charlie, take care of it."

That's probably my most entertaining memory of an enrollment conference. If I hadn't gotten the enrollment, it wouldn't be a pleasant memory. I had one where a dad, nicest guy in the world, and somehow the class is going on out there. They're deciding they're going to do flying sidekicks over stacked up bags. You know what I mean? They stacked up the kicking shields. This 46-year-old adult male is deciding he's gonna them with the kids and do flying sidekicks over the pads. He did the flying sidekick, sure enough, but instead of feet going underneath him, he landed on his hip and broke his hip. I had the same thing when I was doing enrollment conference while the paramedics were coming in to cart the dad out on a stretcher. I can tell probably 20 more stories like that.

Jason: My question is, 'cause I try to talk to the parents and say, "The reason your kids are gonna be excited and want to do this is because they want to be the next Teenage Mutant Ninja Turtle." But I don't always want to say that to the kid when they're there, because I'm making it sound like the reason they want to be here is because they're a kid. I don't want to be insulting to them.

Stephen Oliver: It's not insulting to them.

Jason: Then also talking about commitment and saying-

Stephen Oliver: Jason, I've got this seven-year-old. I've got mom and dad. I say, "Now, Joey, I'm sure that the primary you want to do this isn't about being more disciplined and getting better at school. It's probably that you would like to ... Is there a favorite super hero or a favorite martial arts character you know?" "Yeah, Captain America." "Okay, so you want to do be able to do this so you can be like Captain America and do the stuff that Captain America does." "Oh, yeah, absolutely." "Well, fantastic. Joey, you're gonna learn how to do that. Mr., Mrs. Jones, what you'll also learn, he says he likes Captain America. He'll be studious and sincere and polite like Captain America. We'll also make sure he's a good student more like Iron Man or Spider-Man so that he'll be the top." How is that insulting?

Jason: It's not.

Stephen Oliver: See? Not even a little bit. I can say to them I'm sure that his reasons for doing this may be somewhat different than your reasons for doing it. What we want to do is accommodate both. We want to accommodate his reasons for doing this so he's always excited about coming. Frankly, part of what he'll be excited about coming ... I got to tell you. My nine-year-old ... Where's Ricky? He's gone.

My nine-year-old, three quarters of the reason he wants to go to their school is he loves Mr. Garcia. He just loves seeing Mr. Garcia. The other third of why he wants to go is he loves the other people there. It doesn't have much to do with whatever it is. He gets satiated on the physical stuff easily, but he loves the people. Does that make sense?

You have that conversation easily. Some people get squeamish about talking about money in front of kids. I don't at all. Other people get squeamish about having a hard conversation in front of the kids. Now, there are conversations that shouldn't be having in front of the kids. I had one enrollment where the dad has sexually molested the kid, and he's been in therapy for a year-and-a-half. I don't want to have that conversation in front of the child. Appropriately not. Most conversations is I can look at and hold the child overly accountable for our expectation and their commitment. I never want to ever see the parent trying to get me trying to lead their kid. I want to do just the opposite. If they ever perceive I'm being manipulative in the office environment with their child, they rebel against that. You've got to be very careful of language pattern that you use.

Again, that example. "Joey, now you're gonna have to be serious about this. Mom was saying she was concerned you dropped out of soccer and one thing or another. This seem a little big different to you?" "Yeah." "You've got to know we're making a commitment twice a week no matter what. This isn't something middle of the season, end of season. You're gonna be committed now until fifth grade. You're going into fourth. You're gonna be committed until you get to fifth grade. Are you willing to do that?" "Yeah." "Can you say yes, sir?" "Yes, sir." You have those conversations. Yes, sir, ma'am?

Speaker 12: We don't have parents you go on the mat at all in our class. We only have one kids class. How do we go from no parent involvement on the mat to parent involvement?

Stephen Oliver: It's pretty simple. The biggest part of it is critical mass. I've got the one mom or dad that's sitting on the side that would love to do it, but the idea of being in class with 32 kids and being the only tall person, especially if it's grappling, doesn't make any sense to them. It's about critical mass. The way I like to jump start it is I put on the front table on the way in the door a whole stack of uniforms. Every parent that comes in I hand them one and say, "Go put this on." Just like that. "You know where the dressing rooms are? As soon as he's ready to go, put this on yourself." They'll say, "Why?" "Oh, we're doing parent day today. We're doing some stuff that we're gonna be doing with all the parents as well." "Do I have to?" "Absolutely. Oh, shut up. Go put it on."

Speaker 12: Starting with the event, a Thursday? And then-

Stephen Oliver: No, make every day for the month of ... What is this? Middle of August. From today until the end of September is parent day. Everyone of them that walks in you hand them a uniform and tell them to put it on. By three days from now you

have 15 parents you have resigned themselves to not wanting you to harass them, and they're on the floor doing the class with the kids. Now the next intro that comes in you say to them, "Well, we have the parents take the first class with all the kids." They feel much more comfortable. "Hopefully you'll want to continue with him, but if not, it's fine, too. It's just gonna make him, her feel a little bit more comfortable. Give you a little bit better start with what's going on."